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Relationship between the Central Secretariat and
its Executive Agencies

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The Background

Any discussion on the administrative organisation of the Union Government in India has to keep in mind two points: (a) the existing structure is the result of an evolution dating back to over 200 years, and the process is still continuing; and (b) the Government of India is a big affair and contains a lot of diversities. There is thus no uniform organisational pattern obtaining in various Ministries, Departments and Offices.

It may be of interest to note the historical fact that the government of India in the British period was never vested in one person. It was the Regulating Act of 1773 which for the first time created a "supreme government" having controlling authority over Presidency Governments, and it consisted of a Governor-General and four Councillors. Henceforth the "superintendence, direction and control" of the civil and military government of India remained vested in the Governor General-in-Council. The position continued to remain so till the inauguration of the new Constitution on 26 January 1950. Under this Constitution the repository of the executive authority of the Union Government is the President of India in whom is also vested the supreme command of the defence forces of the Union. He makes rules for the convenient transaction of business of the Union Government and allocates this business among Ministers. All executive action of the Union Government is taken in his name. However,

the President is only a constitutional head and there is a Council of Ministers with the Prime Minister at its head to aid and advise the President in the exercise of his functions. In other words, the real executive authority is vested in the Council of Ministers, or better still, the Cabinet which works on the principle of "collective responsibility."

The Ministers cannot obviously work all alone and need assistance. For purposes of administration, therefore, the Government of India is divided into Ministries and Departments which together constitute the Central Secretariat. To implement the policies enunciated by the Secretariat there are Attached Offices, Subordinate Offices and other field agencies. The Constitution has also provided for a number of agencies, which are independent of the Ministries/Departments and report directly to the Parliament, for example, the Union Public Service Commission, the Election Commission, the Comptroller and Auditor-General, etc. Then there are certain staff agencies like the Planning Commission, whose main function is to advise the Government on important policy matters but which, in practice, has become a parallel Secretariat. At a little lower level, a Ministry or Department has its own Advisory Bodies to assist and advise it on specified matters. Sometimes, Ministries and Departments share their functions with Boards and Commissions with varying degrees of autonomy. To bring order out of such a maze of units and agencies there exist agencies for coordination.

Role of the Secretariat

The Secretariat in India may be said to be sui generis. While it may have been taken the Whitehall as its model, it never became a real counterpart of the British Secretariat. In the words of Philip Woodruff "The Secretariat needs little explanation, the work was essentially that done by the Civil servant in Whitehall, with the difference that there was far more delegation of power, that a junior could do much more without referring to his seniors, and that his seniors were people trained in the same way as himself."¹

I have never come across a better definition of the Secretariat than the colloquial Hindustani term "Lat Saheb K. Daftari" or, Lord Sahib's Office, and that is what the Indian Secretariat was to begin with, namely the office of the Governor or Governor-General. "The Central Secretariat at Fort William in Bengal was designed to furnish the requisite information for the formulation of policy and to carry out the orders of the Company's Government."² In this context it is significant to remember that the size of the Central Secretariat and the scope of its activities have undergone considerable changes commensurate with the changes in the aims and objectives of the Central Government in India. "Before the year 1750 the President and the Council at Fort William transacted all their business in one general department with the help of a Secretary and a few assistants. On the arrival of packets from England the Secretary laid them before Council for orders and the instructions which, when

1. Philip Woodruff - *The Men Who Ruled India*, Vol. II - *The Guardians*, Jonathan Cape (Paper-back), London, 1963, p. 90.
2. B.B. Misra - *The Central Administration of the East-India Company (1772-1834)*, Manchester University Press, 1959, p. 64.

issued, were conveyed for execution to the authorities concerned either at the Presidency or subordinate Factories."³ Cornwallis took some steps towards reorganising and strengthening the Secretariat. His main contribution was to create the office of the Secretary-General (later to be known as the Chief Secretary) in whom was concentrated all power and responsibility. Wellesley too took keen interest in reorganising the Secretariat, and his reforms proved to be a turning point in the development of the Central Secretariat. Under his reforms the business of the Secretariat "increased considerably in both bulk and responsibility." "His major contribution was to raise the status of the Secretaries to Government, and this he did by raising their salaries on one hand and augmenting their responsibilities on the other. Instead of being confined to the execution of the ordinary routine business, their function extended to research and planning."⁴

With the attainment of political stability and the introduction of quicker means of transport (railways) and communication (telegraph) the role of the Central Secretariat became more important and consequently it grew in bulk. "At the close of the eighteenth century the supreme government consisted of a Governor-General and three Councillors, and the Secretariat of four departments Each of them was under a Secretary, and there was a Chief Secretary in overall control of them."⁵ After more than a hundred years, on the eve of the Montford Reforms in 1919, the Government of India consisted of a Governor-General and seven members and

3. Ibid., p.65.

4. Ibid., p.84.

5. N. Srinivasan - Changes In Central Ministries and Departments since Independence, I.J.P.A., Vol.IX, No.3, July-September, 1963, p.385.

there were nine Secretariat Departments (omitting the Railway Board and the Indian Munitions Board). The total officer strength of the Secretariat was 29 to which could be added 17 more officers of the Railway Board and the Indian Munitions Board. The number remained unchanged till the outbreak of World War II in 1939.

Reference needs be made at this stage to a significant change made in the character of governmental process by the Montford Reforms of 1919. Prior to this date, the Central Government, while administering certain subjects directly like the Army, Posts and Telegraphs and Railways, had by and large left the task of execution to the local (provincial) governments. "The line separating the work of the Central and Provincial Governments was, in effect, a horizontal one. The spheres peculiar to either were unimportant, and over the bulk of the field both exercised responsibility. In general, policy lay to a large extent with the central government and administration with the local governments, but the former was the official superior of the latter in all subjects. It was a Government of the Governments in India rather than a Government of India, as it directed and supervised the work of other Governments and administrators."⁶ Such a state of affairs had a marked effect on the nature of the Secretariat's role. Referring to this aspect, the Llewellyn Smith Committee (1919) observed: "The business performed by the Civil Departments of the Government of India

6. Maxwell Committee (Organisation and Procedure) Report, 1937, para 45

Secretariat consist at present mainly of the disposal of cases coming to them from without rather than initiated from within, and a large proportion of these cases originate in a Provincial Government The tendency appears to be for the Secretariat of the Government of India to become less an organ of direct executive action and initiative and more a tribunal of reference and general supervision."⁷

There occurred a major change in the above position with the inauguration of the Reforms of 1919 which, for the first time, made a division of functions between the Central and Provincial Governments.⁸ ... the line of demarcation between centre and provinces became, to a considerable extent, a vertical one. Over a large part of the field, the provinces became virtually autonomous. Over another large part they remained subject to central control but in practice the control was rarely exercised. In a third part of the field the centre became responsible for both policy and administration and their use of the Provincial Governments as agents in this sphere showed a steady tendency to diminish." Thus both the Central and the Provincial Governments became responsible for both policy and administration. In consequence, the role of the Central Secretariat began to change from a merely policy-formulating, supervision and coordinating agency to that of an executive agency as well. The inauguration of the Provincial Autonomy by the Government of India Act of 1935 gave further impetus to this trend.

7. Report of the Government of India Secretariat Procedure Committee, 1919, para 53, p.17.

8. Maxwell Committee Report, para 46.

The outbreak of World War II accelerated the above process. The War threw new and heavy burdens on the Government of India and almost overnight new functions had to be assumed like Civil Defence, Mobilisation of men, money and material for war, Food, Civil Supplies, etc. Since there were no established executive agencies to undertake these new tasks and as the bulk of senior civil service offices in the field and provinces had already been drawn to the Secretariat,⁹ the Secretariat itself had to undertake these tasks and in doing so to trespass outside the sphere of policy-making into that of executive administration. For example, when the Government had to assume the responsibility for civil defence during the war, there was no executive agency in existence to take over this function. So an O.S.D. (Officer on Special Duty) was appointed in the Department of Home Affairs itself to look after this work. In due course a separate Department of Civil Defence was formed and the Secretary of the Department also acted as the Director-General of Civil Defence. Another factor which helped the new trend was the fact that there was no settled policy with regard to these new range of problems and the business of improvising policies at different points would only be performed in the Secretariat. The Second World War, thus, witnessed rapid expansion and change in the administrative machinery. The strength of the Governor-General's Council was increased from 7 to 14, and the Secretariat Departments increased to as many as 19. In consequence, there was a four-fold increase of the Central Secretariat and the total

9. "We have succeeded," wrote Richard Tottenham, "in procuring the services of at least four times as many officers in the Secretariat as was the case before the War (Reports on the Reorganisation of the Central Government, 1945-46).

officer strength rose to as many as 200.. Of course, to begin with, there was a belief that the expansion was a temporary war-time phenomenon and that the status quo ante would be restored once normalcy was brought back with the end of the War.

This was, however, not to be and during the later stages of the War it was realised that things could never be the same after the world had lost and that post-war reconstruction and the impending transfer of political authority into Indian hands would require a re-organised administrative machinery geared to perform new tasks. It was with this end in view that soon after the end of the War Richard Tottenham was entrusted with the task of examining the whole problem of reorganisation of the Central Government and submit his proposals. However, so swift and radical were the political changes brought about soon after the War that Tottenham's proposals framed in a different context could hardly met the new demands, and the task of readjusting the administrative machinery to new conditions was left "to the successor Government."

The Government of India was still grappling with the post-war problems of demobilisation and reconstruction, when came the Independence accompanied with the Partition of the country. This virtually amounted to take the lid off the Pandora's box of varied problems of great magnitude and significance. At its very inception, therefore, the "successor Government" found itself faced with tremendous problems of rehabilitation of millions of refugees from Pakistan, external aggression in Kashmir, integration of princely states, internal security, shortage

of food and other essential articles, etc., and all this at a time when there was serious depletion in the officers' ranks due to the British Officers returning home and an overwhelming majority of Muslim Officers opting for Pakistan. Soon after, the acceptance by the new Government of the goal of a Welfare State, as embodied in a democratic constitution, to be realised through a series of Five Year Plans made unprecedented demands on the administrative machinery. At the same time, the Industrial Policy Resolution of 1948 started the process which later led to a great expansion in the public sector. The result of such a vast expansion in the functions and responsibilities of government was, first and foremost, phenomenal increase in numbers in the Secretariat both in the officer cadre and in the subordinate grades. The strength of the officer cadres (Under Secretaries and above), which stood at 49 in 1939, had increased to 205 in 1945, 426 in 1950, 740 in 1958 and in 1963. At the same time there occurred an enormous increase in the number of attached and subordinate offices. "There were hardly a score of them in 1947. There are ¹⁰ at present over 70 attached offices in different ministries."

Along with the rapid and vast expansion in the activities of the Government, the problem of securing adequate personnel of the right calibre and quality continued to remain critical. Additional personnel had to be found immediately to cope with the increasing work-load. Recruitment standards, consequently, fell down, and training of officers could not be paid continuing and adequate attention. At the same time, unprecedent-

10. N. Srinivasan - Changes in Central Ministries and Departments since Independence, op.cit., p.393.

vacuum in the high ranks of civil service led to quick and out of turn promotions. Little wonder, then, if the senior officers of the Secretariat (a large majority of them were concentrated there), being aware of the relative lack of maturity and experience on the part of the junior officers in charge of attached and subordinate offices, continued to keep a close eye on the working of these offices (a trend which had already set in during war-time) and in many cases even assumed the functions of these offices.

The above trend, which began during the War, has continued ever since and today it will be no exaggeration to say that the Secretariat is the Government. The Secretariat is nothing but a conglomeration of various Ministries and Departments of the Government of India. Significantly enough, the Central Secretariat works as a single unit with collective responsibility as in the case of the Council of Ministers. Under the rules, each Secretariat Department is required to consult any other Department that may be interested or concerned before disposing of a case. Our Secretaries, thus, are Secretaries to Government of India as a whole and not to any particular Minister of it, and a Secretariat officer of the rank of an Under Secretary and above signs on behalf of the President of India, that is, the entire Government. It was in recognition of such a role of the Secretariat that Lord Canning, after 1858, granted each Secretary the right of direct access to the Viceroy and the Governor-General. In fact, he used to meet each Secretary once a week. These weekly meetings continued throughout the British rule. Even today the Prime Minister is free to send for any Secretary for consultation.

In the words of Asok Chanda: "The Central Secretariat is ... the principal executive instrument of the Union Government and is responsible for administering the Central subjects, co-ordinating the activities of national importance and assisting in the formulation of foreign, economic and financial policies."¹¹ In brief, the Secretariat, on the one hand, is a policy-formulating, coordinating and supervisory agency and on the other is the principal executive agency of the Government. In other words, the Secretariat, performs both "staff" and "line" functions. The fact of the matter is that in the history of Indian administration there has never existed a rigid demarcation between Secretariat and field functions. The British rule in India was in the hands of a "steel frame", which consisted not merely of the I.C.S. (a la Lloyd George) but included besides the army, the police, and the members of the Provincial Civil (Executive) Service. The members of this "steel frame" were freely transferable from the Secretariat to field work and vice versa. This mobility was provided by the well-known "tenure system."

In brief, the Secretariat, as a collection of Ministries and Departments, is the Government. It will not be quite correct to describe it as "a kind of staff organisation intended to assist the top management in matters of policy formulation, supervision and coordination of programmes."¹² It certainly performs all the POSDCORB (Luther Gulick) functions of top management, namely, planning, organising, staffing,

11. Asok Chanda - Indian Administration, George Allen and Unwin Ltd. London, 1958, pp.139-40.

12. V.A. Pai Pandikar : Development Administration -- An Approach. I.J.P.A., Vol.X, No.1, January-March, 1964, p.39.

directing, coördinating, reporting and budgeting. To these may be added research and organizing administrative reforms. The Secretariat, however, in many cases also tries its hand in executing policies. For example, the Railway Board, which constitutes the Railway Ministry, is also the highest operating agency. The Directorate of Exhibitions located in the Ministry of Commerce is another such example. In fact, any new activity starts in the Secretariat and when it gets beyond certain proportion, it is handed over to a field agency created for the purpose. Owing to a number of factors - historical, traditional and political - the Secretariat has had to concern itself even with details of administration. For one thing, India being a parliamentary democracy, the Secretariat has to collect a lot of information from various sources to be made available to Parliament, particularly by way of replies to questions. Secondly, "people approach Ministers direct for redress of individual or group grievances. The Ministers also want to do their best to redress such grievances, thus adding to the work of the Secretariat."¹³

Thirdly, India being a federal union, the task of coördinating the functioning of the State Governments has also to be done by the Central Secretariat. Fourthly, the responsibility for carrying out the proclaimed national goals and faithful implementation of the Constitution rests particularly on the Union Government. For all these reasons, the functions and responsibilities of the Central Secretariat have been rapidly on the increase, and authority has naturally followed. The

13. Report of the Administrative Reforms Committee, Kerala, 1958, Vol.I, Part I, p.83.

superior position of the Secretariat is recognised by the Secretariat personnel being given higher grades of salaries than its counter-part in field agencies and field officers being entitled to special pay on their joining the Secretariat. The setting up of special cadres like the Finance and Commerce Pool and the Central Administrative Pool, at variance with the Tenure System, to man posts in the Secretariat is a tacit recognition of the need for the best men in service to be kept in the Secretariat. It is, therefore, not surprising if the prestige of the Secretariat has become so very high.

Attached Offices: The work relating to the initiation and formulation of policies is done in the Central Secretariat but, where the execution of these policies of the Government requires decentralisation of executive direction and the establishment of field agencies, a Ministry/Department has under it subsidiary organisations called Attached and Subordinate Offices. The Attached Offices are responsible for providing executive direction required in the implementation of the policy laid down by the Ministry/Department to which they are attached. They also serve as repository of technical opinion and advise the Ministry/Department on technical aspects of questions dealt with by them. The Subordinate Offices function as field establishments or as agencies responsible for detailed execution of the decisions of the Government of India. They generally function under the direction of an Attached Office or, in cases where the volume of executive direction involved is not considerable, directly under a Ministry/Department.

The organisation of the Attached and Subordinate Offices differs from the organisation of the Ministries/Departments. Generally the Attached Offices are headed by a technical officer called Registrar, Commissioner, Director-General, Chief Engineer, Director, etc. Below the head there are a few other technical and non-technical officers who help him in his work. The proportion of technical officers to secretariat officers differs from one Attached Office to another depending upon the nature of its work. For example, in the office of the Director-General of Civil Aviation the majority of officers are technical officers whereas in the office of the Chief Controller of Printing and Stationery, there are mostly secretariat officers. There is no common pattern of organisation for all the Attached Offices. It differs from office to office. Similarly the status of the heads of the Attached Offices also differs. In the case of some of the important Attached Offices, the head is of the status of a Joint Secretary or Additional Secretary. In most other cases, he is of the status of a Deputy Secretary or in-between the Deputy and the Joint Secretaries. Most of the Attached Offices are included in the various Central Secretariat Service schemes and draw their secretariat staff from these Services forming a common cadre with their respective Ministries upto the level of Section Officers and with a common cadre with the Secretariat as a whole for higher posts.

Subordinate Offices : There is also no single organisational pattern for all the Subordinate Offices. As the Subordinate Offices are

concerned with the actual implementation of policy, they generally have a large complement of technical field staff with the usual ministerial staff for administrative work. These offices are generally headed by a technical officer, whose status differs from one office to another depending upon the nature of work. As compared to the Attached Offices, the Subordinate Offices have limited administrative and financial powers, and for most of the major items of work they have to approach the Attached Office or the Ministry/Department for sanction. They have to submit a number of reports and returns to the administrative Ministry and the Attached Office concerned to keep them fully informed of their activities. The heads of the Subordinate Offices are also summoned by the Ministry/Attached Office for personal consultation and advice on technical matters. Generally the pay scales for comparative posts are lower in the Subordinate Offices than in the Attached Offices. Even among the Subordinate Offices themselves, there is no uniformity in respect of these matters.

The distinction between the work of a Ministry/Department and the Attached Office is somewhat clear but that between the Attached Offices and the Subordinate Offices is not always very clear. There are offices which are doing more or less the same type of work, but some of them are called Attached Offices and others are Subordinate.

Officers in the Secretariat Departments and those in Attached Offices are expected to maintain close personal contact between themselves in order to ensure that every important proposal or scheme is formulated

after joint consultation and discussion at the appropriate level. The Ministry keeps a watch on the progress of the work done by the Attached Offices under it by calling for periodical reports and returns. For the day-to-day administration the Attached Offices are delegated substantial administrative and financial powers and only for important proposals, appointments etc., the Attached Offices are required to approach the Ministry. The heads of Attached Offices are authorised to correspond directly with other Government or non-Government authorities, including those in foreign countries, on purely technical matters. For all other matters of important nature they have to correspond only through the Administrative Ministries concerned. Very often there is exchange of secretariat staff between the main Ministries and the Attached Offices under it. The Secretary of the Administrative Ministry is also in overall charge of the Attached Offices under the Ministry and he calls for the heads of the Attached Offices for personal consultation from time to time to help him in taking important decisions on technical matters. For closer coordination of activities between the Ministry and the Attached Offices sometimes the heads of the Attached Offices are located in the same building as the main Ministry itself as in the case of Ministry of Transport and the Department of Industry. The Attached Offices are fully autonomous as far as their internal day-to-day work is concerned. However, they have to keep the Ministry always informed of their activities through returns and reports. Some times the senior officers of the Secretariat also visit the field agencies during their tours and may even inspect them.

Two points, however, have to be borne in mind if we are to understand the true working of the relationship between the Secretariat and its executive agencies. In the first place, it will not be correct to assume any sort of inherent conflict between the two counterparts of administrative machinery provided and this is important that both play the game. But, in the ultimate analysis, the actual relationship depends on the lead given by the Secretary himself. For example, in the Department of Industry - which I have studied for the purpose - the relationship between the Department and the Development Commissioner's Office is very cordial and easy-going. The two organisations regard themselves not as the opposite ends of a pole but as partners in a common venture. Policies, generally, are determined by mutual consultation, and the Attached Office is quite free to take the initiative itself. Personal meetings and face-to-face consultation are encouraged. Since both the Secretariat and the Attached Office are physically located in the same building, one has only to go to the other floor to clear up matters and thrash the problems. There are no duplicate files and the same file moves from one office to the other. Morale of personnel is high and there are no mutual recriminations. One wishes the position were the same in all Ministries; unfortunately, it is not so.

In the second place, it has to be kept in mind that all the executive agencies under the Secretariat are not of a uniform pattern. Hence the relationship between them must vary as between different types. Richard Tottenham distinguished between four types of Departments and his classification largely holds true even now:¹⁴

14. Tottenham Report, paras 17 to 21.

Type I : Departments (Ministries) the business of which is purely central and which employ regular staff of their own like Defence, Railways, Posts and Telegraphs. In such Departments the Executive Heads does not carry the authority of Government which is vested in the Secretariat. The problem of headquarter-field relationship is difficult in the case of such Departments/Ministries. Tottenham suggested a number of ways to ease this relationship:-

- a. the Secretariat staff should be small;
- b. everything possible should be done to increase the importance of the Executive Head;
- c. there should be a closest possible liaison between Government and the Executive Head;
- d. the headquarter office of each important executive service should be located in the same building as the Secretariat Departments;
- e. inside this office, rather than in the Secretariat, is the proper place for all the specialists and research groups, etc. whose advice is just as necessary to the Executive Head in carrying out the policy at the Secretariat in framing it; and
- f. ex-officio Secretariat status should not be given to any Executive Head, certainly not merely for the sake of prestige.

Type II: Departments/Ministries the business of which is Central but which operate through a small Directorate or a number of individual officers.

The Central Hindi Directorate in the Ministry of Education and Offices of Trade Commissioners or Agents in the External Affairs Ministry may be good examples under this type. In this type much of the spadework in shaping policy will probably have to be done in the Secretariat itself and the size of the staff there vis-a-vis the executive authority in question, may have to be larger.

Type III - Departments/Ministries where the executive work is done by the State Government Services but which need central financial assistance and expert advice, for example, Ministries of Food and Agriculture, Department of Industry, Ministry of Education, Ministry of Health, etc. In this type there are no Central Services to administer downwards and therefore no Executive Heads properly so called: Tottenham suggested the creation of a large headquarter office for this type of work, properly organised and manned with experts and specialists, but outside, the Secretariat, to work out the plans required to implement policy and to give States every possible assistance in giving effect to them. The Directorate General of Health Service may offer a near approximation to such office.

Type IV: Departments/Ministries the business of which lies in the State sphere but where coordination is required like the Ministry of Home Affairs with regard to matters like police and jail. In such a type all the work that has to be done, must be done inside the Secretariat. Such a Ministry will, therefore, require a larger Secretariat staff than others.

The Way Out

Any form of governmental organisation must be based on three essential components - The Minister or the political head; the Secretary and the head of the Executive Agency called by various names as Attached Office, Subordinate Office, Directorate, Department, etc. The function of the Member (Minister) is to decide policy, of the Secretary to provide the material on which to reach such decisions, and of the Executive Head to carry the decisions into effect. On the analogy of the human

machine the Member (Minister) would represent the Will, the Secretary the Brain and the Executive Head the hands."¹⁵ In the interest of good administration it is essential that the respective functions of the three components should be broadly distinguished and defined; and all must obviously work in the closest touch with each other. This describes the proper relationship which should obtain during normal times. However, in times of emergency, this relationship is naturally disturbed and with the centralisation of authority the Secretariat tends to become powerful. India has not known normalcy since 1939 and emergency of one kind or the other has continued throughout with the consequent upsetting of balance as between the three organs. Even in theory, no hard and fast line can be drawn as between the functions of the three parts of the machine. Not unoften they dovetail into each other. In India the Central Secretariat has carved out for itself a unique position of authority, influence and prestige so much so that the heads of executive agencies hanker after the coveted secretariat status. All attempts to restrict the power of the Secretariat and to delegate more authority to field agencies have failed in practice so far.¹⁶ The vested interests are too powerfully entrenched to permit any upsetting of the existing balance. Only a bold and determined lead from the highest quarter may succeed in creating a more rational relationship between the Secretariat and its executive agencies in the interest of good and effective Administration.

15. Tottenham Report, op.cit., para.7.

16. A contrary trend has also been developing side by side in the direction of weakening the Secretariat particularly in the states. As the Ministers gained confidence in their positions they started to establish direct contacts with the heads of executive departments who, in turn, began to approach the Political Executive over the heads of the Secretariat officers

The subject of relationship between the Secretariat and field agencies and their respective roles has been closely considered by a number of committees appointed to recommend administrative reforms in many State Governments like Bengal (1945), Bombay (1948), Kerala (1958), Andhra Pradesh (1960) and Rajasthan (1964). Even during the British rule the question came up for consideration many a time, particularly at the time of the inauguration of the Montford Reforms. These suggestions vary all the way from a radical organisational overhaul to minor procedural changes. Thus, irate heads of executive agencies, exasperated at the Secretariat redtapism, delays and overlordship, have at times wondered if it were possible to do away with the interposition of the Secretary as between the Minister and the executive agency.¹⁷ Such a solution is too naive to deserve serious consideration. Moreover, "... there is advantage in interposing between the Member of Government and the Executive Head of a Secretariat, in which can be applied that broader scrutiny of policy proposals, and of their setting in the national or international field, which is required from the point of view of Government as a whole and which can seldom be satisfactorily obtained from an expert or enthusiast in a particular subject."¹⁸

...concerned. Such direct contacts have posed a threat to the supremacy of the Secretariat. However, this phenomenon has so far not made any appreciable impact at the Centre.

17. The observations of the Report of the Administrative Reforms Committee of Andhra Pradesh (1960) are pertinent on this point: "One extreme view is that the Secretariat may be abolished altogether and that the Head of Departments may be made the Secretaries to Government. According to them, this will result in considerable saving of expenditure and also quicken the pace of administration," (part 22).

18. Tottenham Report, cl.cit., para 8.

Another suggestion is to curtail the functions of the Secretariat. Tettenham was of opinion that "the duties of the Secretariat should correspond broadly to those of the Staff in the Army Organisation and that, just as the Staff Officer does not himself conduct operations in the field, so the Secretary should not ordinarily be charged with executive duties." According to the Report of the Administrative Reforms Committee of the Government of Kerala (1958); "Secretariat work should be confined to the framing of policies, laying down rules and principles of procedure, financial control, work connected with legislation, general direction and also evaluation of the work done. The Head of the Department should be responsible for carrying out the policies into effect." In other words, the suggestion is to restrict the Secretariat's role to that of a staff agency. This is too radical a departure from the existing pattern to be readily acceptable. But only radical reforms can save the situation.

Flowing from the above suggestion is the need for liberal delegation of authority from the Secretariat to the executive agencies. It has been argued that since the responsibility of the execution of government policies rests with the Heads of line Departments, it is essential that they should be given adequate powers and discretion to act effectively and exercise initiative. All the reports on administrative reforms are agreed on the need for it. At present the heads of Attached Offices are treated as the Heads of Departments for this purpose and the powers delegated to them are defined under the rules. These powers are severely restricted in matters of establishment and finance. Thus, an Attached Office cannot create even

a peon's post; this is a matter solely within the competence of the Ministry. As regards recruitment, all the posts above Class IV and Lower and Upper Division Clerks can be filled only by the Ministry. In the financial field as well the control is quite rigorous. It has to be conceded that in an administrative system which is primarily geared to development, line or operating agencies need to be strengthened and vitalised. Responsibility and authority must go hand in hand.

Nobody will ever dispute the need for such delegation to field agencies. The only difficulty is that it just does not happen in practice human nature being what it is. "It is no good," Curzon wrote, "trusting a human being to do a thing for you. Do everything yourself." The ghost of Curzon, obviously, still haunts the Secretariat. It may be agreed that so long as the Secretary continues to be the head of a Department/Ministry he cannot absolve himself of the responsibility for execution. Under the present set-up, the head of an executive agency is under the Secretary in the line of command. However, once the Secretary's role is changed to that of a mere staff aide to the Minister, the way for liberal delegation of power to field establishments will have become clear.

A third suggestion has been that either the role of the Secretary to Government and the Head of the Executive Agency may be combined in one office or the latter may function as ex-officio Joint or Additional or full Secretary to Government. This arrangement has been freely resorted to in the past and is widely prevalent even now. A very good example of the combination of the roles of both the Secretariat, and its executive agency is that of the Railway Board whose members, while being the heads

of operating departments, are also ex-officio Secretaries in the Railway Ministry. Examples of the Heads of Attached Offices being given secretariat status are legion. A good example is that of the Director-General of Posts and Telegraphs being made the Secretary in the P. & T. Department. Such a practice obtains widely in State Government. Argument in favour of the combination of the two roles mainly is that it will lead to a more expeditious despatch of business and avoid the delay that inevitably occurs in the scrutiny of the proposals of the executive agency in the Secretariat.¹⁹ Duplication of work will thus be eliminated. It has also been said that the attitude of Secretariat to proposals coming from below is often fault-finding and negative in nature. The Secretariat, it is alleged, is concerned more with stalling proposals than expediting them. The induction of the heads of the executive agencies in the Secretariat will usher in a "wind of change" in the situation. Involved in this proposal is also the difficult problem of the relationship of the specialist with the generalist. Today, by and large, while the heads of executive agencies are "specialists", the officers in the Secretariat are "generalists." The common fear of the former is that their technical proposals are not always fully understood by the Secretariat and may, therefore, reach the Minister in a distorted form. The specialist resents such a position. It is for this reason that the eminent nuclear physicist agreed to head the Atomic Energy Commission on the clear understanding that he would not be

19. The following observations of the Report of the Administrative Reforms Committee, Rajasthan, 1964, are opposite in this respect: "This system has resulted in quicker disposal and greater efficiency, in as much as correspondence between the Heads of Departments and the Secretariat has been completely cutout, the Heads of Departments being in closer touch with their problems have been able to pursue them more vigorously and with greater zeal at the level of the government. All back references from the Secretariat on objections raised, have been eliminated." (p.64)

sit upon by the generalists. He is, therefore, himself the Secretary to the Department of Atomic Energy. The pressure of specialists and technicians is increasing day by day and has to be taken note of. To all this may be added the consideration of prestige involved in Secretariat status. Even persons from outside the Civil Service appointed in special governmental positions have insisted on getting secretariat status even when located outside Delhi. It is noteworthy in this connection that the Rajasthan Government has, as an experimental measure, appointed the Chief Engineer (P.W.D. Buildings and Roads) and the Director of Industries and Supplies, ex-officio Additional Secretaries to the Government. This experiment, if successful, will be applied to other departments. The Andhra Pradesh Government too has adopted a similar arrangement.²⁰

Arguments against the proposal are equally weighty and varied:

- a) The two roles are so different that they combine ill together. "The Heads of Departments, by virtue of their long association with the department and specialisation in their respective fields, have a natural tendency to view the problems and programmes of their departments largely from the departmental point of view, and not from the broader perspective of State administration. The State Government has to maintain an equitable balance between the activities of different departments and follow uniform policies relating to them. It also has to keep the overall aspirations and welfare of the people in view in arriving at decisions. It is, therefore, essential that before decisions are taken by the

20. "Having regard to increased work load in the context of larger and larger Five-Year Plans, the urgency with which Plans have got to be executed year by year, and the need to maintain continuous contact between the Head of the Department and the Minister and the Secretary to Government concerned and also to expedite the sanction of schemes and staff necessary, their implementation and their periodical review, this Committee has come to the conclusion that the merger of the Heads of Department with the Secretariat is an inevitable and at the same time the only practical solution." (Andhra Pradesh Administrative Reforms Committee, para 24.)

Government, the proposal should be examined from all these points of view, which could best be done by a general administrator with a substantial background of public affairs and administration."²¹ This position applies with equal force to the central government.

- b) The executive officers have plenty to do in the field and it may well happen that their involvement in secretariat work would lead to laxity in the implementation of programmes - something which in no case should be allowed to happen.
- c) The appointment of heads of executive agencies as Secretariat officers would also result in a waste of technical experience without compensatory advantages. In reply to this type of argument, General Harkirat Singh once remarked that the technicians were in any case wasting lot of their time and energy in attempting to explain to their generalist superiors their technical proposals in non technical language.

In our opinion the proposal to combine the offices of the Secretary to Government and the head of the executive agency into one person is at best a palliative. It is an attempt to find a solution within the existing framework. It is tantamount to acting on the adage "If you cannot break a racket, then join it." We are convinced that the Secretariat and executive functions are different and there is need for distinguishing between them and defining them. It is on this account that we have recommended a transformation in the character of the Secretariat so as to make it a staff agency. Once this view is accepted, the case for giving secretarial status to heads of executive agencies falls to the ground.

The last suggestion is concerned with improvement in procedures. The existing procedure, it is argued, lead to much avoidable delay and friction. Attention is drawn to two main defects, namely, duplicate files and repetitive noting, and the scrutiny of files sent by the head of an executive agency by the Secretariat staff at clerical level. The various State Government, (Administrative Reforms Committee) Reports have

discussed both these defects and have suggested remedies. Thus, the Bengal Administrative Enquiry Committee (1944-45) pointed out that the source of delay, as well as of annoyance and friction, was mainly the method by which the Head of the Department addressed Government in the form of a letter initiating a proposal. The Committee suggested that the Head of the Department should not address Government by a letter but should send his entire files to the Secretariat (this procedure is followed in the Department of Industry in relation to its Attached Office of Development Commissioner). The proposals originating in the Department should be prepared in such a form as to show all relevant facts, precedents and reasons, for and against. In the Secretariat there should be no clerical noting whatever and only officers should note on the file. The orders of the decision-making authority will be passed on to the file itself. Files which originate in the Secretariat will also be marked direct to the Head of the Department for his remarks and will be subsequently dealt with as indicated above.

The Rajasthan Administrative Reforms Committee Report also recommended that in most cases, apart from establishment and accounts work, the initial examination of papers received in the Secretariat should be done by a gazetted officer. If the matter is within his jurisdiction he will take an appropriate decision and convey it to all concerned; otherwise he will submit the papers to the Secretary concerned,

The Kerala Administrative Reforms Committee's Report suggested the adoption of a modified procedure when the Head of the Department sent his proposals to the Secretariat as follows:-

"Details of the distribution of the work from Assistant Secretaries upwards should be communicated to each Head of the Department. Details of the subjects and items in respect of which the different officers will pass final orders should also be worked out as far as possible and the information communicated to the concerned Heads of Departments. Depending upon the importance of the subject and on the delegation of powers to the Secretariat officers, the Head of the Department should send his proposal to Government, not in the form of a letter, as at present, but the form of a fully referenced note containing all relevant facts, precedents and reasons, for and against. The note should be sent in duplicate to the officer who is competent to consider it. The proposal should be examined initially in the Secretariat only by the officer to whom it is so sent, or by any higher officer. Any information called for or query raised will be communicated to the Head of the Department by copying it as such in the duplicate of the note, instead of in the form of a Memo or a letter as is at present done. The Head of the Department will give his reply also only in continuation of the note. After final orders are issued by Government, the copy containing the remarks of the Secretariat and the original orders passed will be retained by Government as record and the other copy will be returned to the Head of the Department with the order of Government."

APPROACHES TO THE STUDY OF CITIZEN-ADMINISTRATION
RELATIONSHIPS

by

V. Jagannadham

1. Citizens - Ruler Complex in a Democracy :

India is a democratic republic and "the craftsmanship of democratic government is essentially a social skill." Ever since the time of Aristotle the emphasis of democratic government has been upon citizens' participation in government through sharing the responsibilities of office. The citizens and administrators are not two separate entities but they are the same set of people playing different roles in different capacities. Aristotle attributes "practical wisdom" as the characteristic of the ruler and "true opinion" as the virtue of the subject.

Shri Srinivas Sastry aptly described that "in a democratic system of Government no man is free from responsibility, which is exactly proportional to each man's capacity, to his education, to his experience in life, to his disinterestedness, to his capacity of leadership - in brief, to his equipment for effective action in the great struggle that is continually going on to determine the preponderance of good and bad forces in government, and upon the issue on which depend results so momentous to himself and his family, his children, and his country and mankind."

The realisation of this role of the citizen in government in a democracy is a function of civic traditions and political leadership. In the same way as the responsibilities of citizens in a democracy are

increasing, the functions of government also are growing in quantity, quality and novelty. For example, the concept of Welfare State carries in it the responsibility to provide services from womb to tomb including such tasks as maternity and child welfare, education and employment, industrial peace and social security, capital investment and balance of trade, minimum production and distribution of wealth ensuring a minimum standard of life for all. The fulfilment of these tasks in a democratic planned manner is something new to all states and particularly to States which recently emerged into independence after centuries of foreign rule and feudal traditions. In this context the expectations of citizens as regards the functions and services from Government are high while the resources and capacities of administration do not match the expectations. There is, therefore, a gulf between the expectations and realities and a lag between the cherished aspirations and actual abilities to achieve them. Notwithstanding the fact that citizens and administrators are two facets of the Government, there is a tendency to blame the administration for the short falls in achievements. In India this blame has a new dimension since independence because of the high expectations raised during the struggle for independence and also because there is no one to shift the blame from ourselves to others. It is therefore necessary to put in proper perspective the problem of citizen-administration relationships.

Administration is a way of organising and executing functions over a vast area for the development of human and material resources. The goal is that of the welfare state or better to say, a welfare society; the process is democratic planning and the instrument is administration -

both governmental at federal, state and local levels, and non-governmental, i.e. industry, agriculture, business, and social organisations etc. These tasks have to be fulfilled by the existing leadership, in political, economic, social and administrative fields. The public servants and the public are to adapt themselves to the challenging responsibilities set by the welfare State goal, democratic planned process and administration as the instrument of chance. Whenever motivational, institutional or procedural deficiencies were discovered, these were sought to be set right by appropriate ad-hoc measures. This does not seem to be satisfactory because the expected results are not forthcoming. For this reason major reforms in administration are considered necessary. This augurs well provided the true character of administration and the numerous complexities underlying administrative reforms are clearly perceived.

Citizen Commitment crucial to Administration

Administration is a circular process ranging from initial formulation of policy and its implementation to a modification of it consequent upon an evaluation of its implementation. This continuous dynamic process could be regarded the subject matter of administration. If so, where should we search for the strengths and weaknesses of administration as a prime mover of change through democratic planning to lead the citizens towards the goals of the welfare state? To discover these strengths and weaknesses in administration, we should start with the concept of the double role of citizens (1) as producers and consumers of goods

and services in public and private sectors, and 2) citizens as rulers and subjects working in and out of office. From the ranks of citizens come political and business leaders, public and social servants and the critiques and beneficiaries of socio-economic development activities. The first task of any administrative reforms is to examine the extent of commitment of the people at large to the goal of the welfare state, to the democratic planned process and to the role of administration as an agent of change. The concept of commitment could not be inferred from the success at the polls of the party professing this triple policy. The commitment of the bulk of the people would mean an understanding of the goals of welfare state, an awareness of the means and resources for achievement and a preparedness to work to produce the resources to reach the goals. The extent of deficiencies in commitment in the bulk of the people determine the limitations upon the capacity of administration to fulfil its role as an agent of change because in a democracy the administration could not be much ahead of the people in the same way as the level of the river could not be higher than at its source. The degree of commitment is an indication of the collective will and the determination of the nation.

3) Requirements of Democratic Administration :

Administration, like money, is universal in a modern democratic socialist society in which big business, and big government view with one another to reach the people through the market mechanism or community services. The size and functions of administration in a socialist or a welfare State and developing societies are constantly growing and therefore

the nineteenth century conflict between the state and the citizen is becoming less prominent. On the contrary, a recent study by the F.E.P. aptly remarked that "the simple division between government and governed is no longer adequate." Mr. Mackenzie supports this view when he said that: "The Central administration is not isolated from the community, but entangled in it everywhere, in office hours and out of them." Bigness in size and complexity of functions result in specialization making coordination a separate specialized function. Coordination eludes our grasp because it is either present or not present among the people as a cultural characteristic and mechanical devices of coordination do not help much to create an impact if the temperament to work as a team is not ingrained among the people. The lack of coordination impedes the flow of work, causes delays, promotes red-tapism and encourages "buck passing". Under these circumstances inherent to all big and complex organizations, administration tends to "divide people into departmental slices instead of treating them as unity." Just as steps are taken to control the flow of money with a view to maintain a steady rise in the standard of life, so all steps should be taken to regulate the flow of work in administration with a view to enable the people to produce and enjoy the goods and services appropriate for the democratically planned welfare state ideal. Administration should be judged not merely by its size and cost but by the way it exercises its power within limits that are acceptable to the nation as a whole.¹

1. Vide Charles S. Hyneman: Bureaucracy in a Democracy, Harper & Bros: 1950, pp.5-6 N.Y.

determining whether an administration is democratic:² (1) It must be open in the sense of having wide contacts with the people. For this purpose a) it must not operate in the interest of the ruler or of a directing class; b) it must be recruited without discrimination from a very broad social strata; c) it must maintain contact with the public through consultation, inquiries and procedures which enable it to be aware of the state of mind of the governed; d) it must avoid an arrogant disposition.

2) It must be controlled not only by an official hierarchy or the jurisdictional power (that is, the right of review given to the administrative tribunals) but also by public opinion and public liberties, such as the freedom of the press, the right of association and the right of demonstration.

3) Administrative power must be subordinate and submissive:

a) administrative power should not exist independently of political power; b) civil servants must not be completely subordinate and the administration must be independent of interference by political parties; c) a political party in power should not try to monopolize all the jobs or to exercise pressure on responsible civil servants; d) the principle of continuity of administration must be maintained."

Professor R. Aron, a well known French Sociologist, mentions the essential criteria of democracy in administration to include decentralization; the subordination of administration to policies which reflect the desires of the people; and a friendly attitude on the part of officials

², C.f.: William A. Robson (Ed.) The Civil Service in Britain and France, The Hogarth Press, London, 1956, pp. 5-6.

towards the governed.

While these norms are incontrovertible, the degree of their realisation in practice is determined by a number of socio-economic factors and cultural traditions. A State of full employment and affluence could afford to ignore lapses from the above norms without much damage to democracy or efficiency in administration while a state of developing economy demands a highly competent good administration to reform bad administration and bring about the desired degree of development.³ Further, the State of full employment and affluence are also products of qualities which ensure the above type of democratic administration. Developing countries are therefore confronted with an egg and hen puzzle to resolve which is the problem before the administrative reforms conference.

4) Centralization-Decentralization trends and traditions in Administration

Administration is tradition bound and culture-based and as such we should examine the administrative tradition in India before we could introduce innovations. Centralization and personality polarisation seem to be two main characteristics of administrative tradition in India. Besides these, the methods and procedures in the present administration were inherited from and based upon distrust by the foreign government of the indigenous personnel and they were intended more to check than release enthusiasm for the exercise of responsibility in a creative way. When

3. H.A. Singer : International Development Growth and Change, pp.

today the leaders are introducing schemes of democratic - decentralization and delegation of authority and responsibility, the reforms in institutional framework should have been preceded or accompanied by appropriate reforms in methods and procedures, manuals and codes which would enable the exercise of responsibility with confidence and trust. The adherence to the procedures of a police state to achieve the goals of a welfare state is the greatest desideratum in administration. This aspect deserves scrutiny to be accompanied by appropriate reforms. Even though there is awareness of the need for reform, it is estopped by the difficulties of selecting strategic areas and starting points of reform in the jungle of administration spread over the length and breadth of the country. A radical step was taken when the scheme of democratic decentralisation was suggested and later implemented but reviews of the schemes disclose that political decentralisation and structural reforms are not adequate to fight against the trend and tradition of centralization, to establish a consensus between the elected and appointed executives or to bring about a genuine autonomy, delegation of authority and exercise of responsibility. A big area for research and reform is the field of Centralization vs. Decentralization. If the experiment/decentralization is given a fair trial and if the preconditions for its success are imaginatively identified and earnestly fulfilled: it may be able to remedy a few maladies of administration such as alienation, red tapism, corruption and courtesy.

Even after establishing decentralized democratic institutions, many problems remain because the pathological phenomena in administration are universal. These are brought about by the growing technicalities and

complexities in administrative organisation, the increasing class and cultural gulf between the governors and the governed and the mounting indifference of the citizen towards participation in government balanced only by the supreme indifference to service accelerated by a wage earner's approach and trade unionism among the middle and lower level of civil servants. Curiously, administration is now identified with bureaucracy which at one time was an unpopular word for a popular thing namely administration. Prof. W.A. Robson's following observation is most applicable to the situation in India: "The man in the street, the journalists and most politicians persist in regarding bureaucracy as synonymous with the maladies from which it sometimes suffers." Bureaucracy is no doubt indispensable and an essential handle for government to work with; but, as in man, so in administration, the citizens are unappreciative of the long period of health but become conscious of its value only when disease afflicts them; similarly maladies of administration which are many spur the citizen to become conscious of the contingent evils in administration which threaten to destroy the healthy administration when perpetual vigilance is relaxed.

5. Maladies in administration

W.A. Robson lists the following as the "maladies from which bureaucracy most frequently suffers:" an excessive sense of self-importance on the part of officials or an undue idea of the importance on the part of officials or an undue idea of the importance on the part of officials or an undue idea of the importance of their office; an indifference towards t

feelings or the convenience of individual citizens; an obsession with the binding and inflexible authority of departmental decisions, precedents, arrangements or forms, regardless of how badly or with what injustice they may work in individual cases; a mania for regulations and formal procedure; a preoccupation with the activities of particular units of administration and an inability to consider the government as a whole; a failure to recognize the relations between the governors and the governed as an essential part of the democratic process."⁴ The Report of the Committee on the Training of Civil Services commented on the characteristic of bureaucrats as follows: "The faults most frequently enumerated are over-devotion to precedent; remoteness from the rest of the community, inaccessibility and faulty handling of the general public, lack of initiative and imagination, ineffective organisation and waste of manpower, procrastination and unwillingness to take responsibility or to give decisions." These universal maladies of bureaucracy are sharpened in India by the language barrier. Till recently and probably even today in most parts of the country, English which is foreign to all and is not known to more than ninety percent of the people is the language of administration. In his dealings with administration the "English illiterates", albeit being literate or learned in Indian languages, have to depend upon translating middlemen or the personal sympathy of the public servants whom they approach for service. This disability of language barrier contributes a great deal to the snobbery of and exploitation officials of the ignorant lay people.

4. William A. Robson (Ed.) The Civil Service in Britain & France, The Hogarth Press, London, 1956, p.13.

The language barrier also projects itself as a class-culture barrier. The English educated elite, especially those educated abroad, observe and imbibe certain values of life and means of living which the common people could not aspire or appreciate. The elite who form the policy makers become distinguished by an "alien spirit" in their approach to policies and administration. In this respect the "non-westernized" elected executives, namely, the politicians at all levels, suffer from varying degrees of absence of "consensus and idem" with the top level permanent executives. Even though the latter, for the sake of expediency approve of the policies, of the elected representatives it is difficult for them to commit themselves whole heartedly and become "missionaries of change." This class barrier was felt even in countries like England also in the transformation of the capitalist to a socialist state with a civil service brought up in the former ethic. This impediment was particularly felt by the Labour Government in the expansion and administration of the social services and social security programmes because the "establishment" and the working class live as two nations in the same country.

6. Citizens Image of Administration

Arising out of the heritage of administration from the colonial period and the maladies of administration in a complex industrial society and Welfare State the citizens in developing countries are said to entertain the following image of a bureaucrat: "He is at various times:- a) a perverse God who must be propitiated; b) a recalcitrant ass that must be driven c) a privileged snob, impossible to get the better of d) a lazy

hound, impossible to bring to book and c) (occasionally) a hardworking, underpaid and harassed officer doing his best under difficult circumstances. This last is likely to be a judgement by and of, upper-class layers and no doubt often coincides with the self-image of the high ranking public servant." This generalized image could not be true of all citizens of various types, interests and cultures. It would also be of interest to speculate as to what an administrator thinks as a citizen of other administrators. The citizens' impression of administration as given above may be said to reflect a cross section of opinion from the elite to the ignorant man.

Two factors that affect or influence the common man's impression are 1) The behaviour of the servant to the citizen and 2) the content of decision or service the citizen gets from the servant. Prof. Robson rightly observes that the manner in which a citizen is treated by a public authority may be as important in determining his attitude as the decision itself.⁵ He further remarks: "There is nothing more infuriating than arrogance or conceit on the part of an official, while a friendly and helpful attitude can leave a favourable impression of a lasting nature. This is true even though the behaviour of the official may not in either case affect the decision or the action of the public authority concerned."⁶

7) Administrators Image of Citizens:

There appears to be an over-emphasis upon pillorying the administrator without much consideration for his views about the citizens' role in

5. William A. Robson: The Governors and the Governed, George Allen & Unwin, London, 1964, p.20.

6. Ibid

administration. Good government is a function of the two sides of the Government namely citizens and administrators. We often ignore to recognise the double role of citizens:

1. as representatives elected by the people and put in responsible positions as Ministers or Members of committees and Commissioners holding positions of trust, competence and service; and
2. as tax payers and beneficiaries not only enabling the government to provide services but act as watch dogs so that the Government provides courteous and efficient service.

Administrators have two complaints on these aspects: 1) meddlesome interference by legislators and political executives and 2) the apathy of common citizens and their parasitism on government. The substance of these complaints deserves to be investigated and evaluated. Their interference by the political executives or representatives should be examined in the cultural background of each nation rather than merely from the stereotypes of an advanced traditional democratic country. Political interference and corruption are considered by some to be fulfilling an 'entrepreneurial' role in the development process of a country in which the electorate is inarticulate and unsophisticated. A seminar study goes to the extent of saying: "Political interference and corruption are the price we have to pay for persisting with a public service and with laws and regulations which were imposed upon people and about changing which very little is done since independence." The traditional role of policy making by political executives and administration by the permanent executives, the traditional concepts of the policy and programme neutrality of public servants and impersonal execution of programmes seem to call for revision.

and modification so as to meet the compulsions of "administration as an agent of socio-economic change" within a chosen political framework.

Administration is an art and developmental administration is much more so because it requires each administrator to be so resourceful as to press the scarce resources, both material and personnel, to go the longest way. The expectations as to these resourceful qualities of leadership from each administrator is hampered by two factors: 1) the steel frame he is bound by and 2) the different types of responses from the public he comes across. The steel frame leaves little scope for the exercise of initiative unless the entire personnel in administration is pervaded by an attitude of trust in the bonafides and competence in performance. This is yet a desideratum. While administrators look for active and intelligent cooperation through participation and suggestions for improvement, they get a public ignorant about administrative requirement and procedures, parasitic upon the government for goods and services. The administrators also come across citizens hostile and sabotaging the administrator's attempts to improve the socio-economic conditions. The large scale phenomenon of tax evasion and resource wastage, rioting by students and black-marketing by traders are a few illustrations of sabotage. These and other similar experiences of hindrances to good administration create a poor image of citizens among administrators.

More than all, the attitudes of citizens to administration are the most important. The following quotation, though long, from a thought provoking speech by Prof. Robson is particularly relevant in our country

today: "The achievement of good relations between the government and the public is a matter which does not by any means depend solely on the conduct of civil servants and politicians. It depends equally on the attitude of citizens, groups, corporations, associations of all kinds and indeed of all unofficial bodies to public authorities. If we want public servants to behave well towards us we must behave well towards them. Moreover, we must normally assume that they for their part will behave well."

Prof. Robson then refers to the adverse consequences of holding the administration in low esteem when he says: "If politicians and civil servants are held in low esteem; if their work is derided; if abuse, and invective is poured on them continuously; if loose and unsubstantial allegations are made about their incompetence, dishonesty, laziness and indifference to the public interest it is unlikely that officials will develop or display qualities of integrity, industry and public spirit." He observes that public esteem by itself does not transform a poor qualities civil service into one of high quality, "but it is certainly a potent factor in maintaining or achieving high standards of conduct and competence." Besides esteem, improvements in civil service outlook and competence should be simultaneously attempted and alongside with the improvements people should be kept informed of the unfair bias in their image of the civil service based upon an ignorance of the requirements and complexities of administration. The elimination or minimization of the unjust bias would become possible only when the communications and interplay of citizens and administrators become more free, intimate and easy. A

suggestion made in this context is to broaden the basis of recruitment and training of civil servants and association of lay but competent people in the administration of programmes and projects. In other words there is need for a breakdown of barriers between citizens and administration with a view to bring about a greater integration of the civil service and the community. How to bring this about is an area for further study and research by behavioural scientists and administrators. A survey on "Citizen Administration - Mutual Perceptions in Delhi" recently conducted in the Institute brings to light the curious phenomenon of high prestige but low esteem for government service. Many people expressed an eagerness to join government for the security it offers, for prospects of promotion it holds out but the people had a low opinion about the integrity of officials, courtesy towards citizens, efficiency in performance etc. By and large it appears that citizens consider Government as an instrument for career-promotion rather than an organized expression of the Community for achieving goals determined by the citizens at large. The identification of citizens with the Government as their own agency for enlightened self development is yet to grow and become widespread.

Conclusion

A study of citizen administration relationships is marked by a complex pluralist phenomena because the citizens and their interests are multifarious; and administration is polyvalent and pervasive in a modern State. The new independent States which have old traditional cultures have to discover methods by which "administration can be made or kept democratic."

For this discovery, and for verifying the maxim that people get the government they deserve, the following questions are posed for discussion:-

1. Is there a distance between the citizens and administrators? If so, how to bridge it?
2. Is there an alienation of administration from the citizens or how far is the "we and they" feeling a barrier in communication and accessibility between citizens and administrators?
3. What are the mutual images of administrator and citizens? Are they vitiated by distance and alienation from each other? How to remedy any unjust bias in the mutual images?
4. Could the maladies of administration be overcome by a greater degree of decentralization or multiplication of elected bodies at different levels?
5. Would the process of decentralization and multiplication of elected bodies favour or hinder development planning and its effective implementation?
6. Are the traditional theories and practices of administration appropriate for adoption in developing countries? If not, what modifications are needed?
7. What are the deficiencies in professional skills and attitudes civil servants for fulfilling their responsibilities as instruments of socio-economic change?
8. What are the institutional and personal handicaps in the traditional cultures which stand in the way of securing the necessary citizen - administration co-operation for bringing about democratically planned development? In what manner can these handicaps be identified and overcome so as to make the citizens better rulers and rulers better citizens?

THE CITIZEN AND ADMINISTRATION

PERCEPTIONS OF THE PUBLIC AND THE OFFICIALS

Preliminary Report on Some Aspects of a Sample Survey in Delhi State, 1964

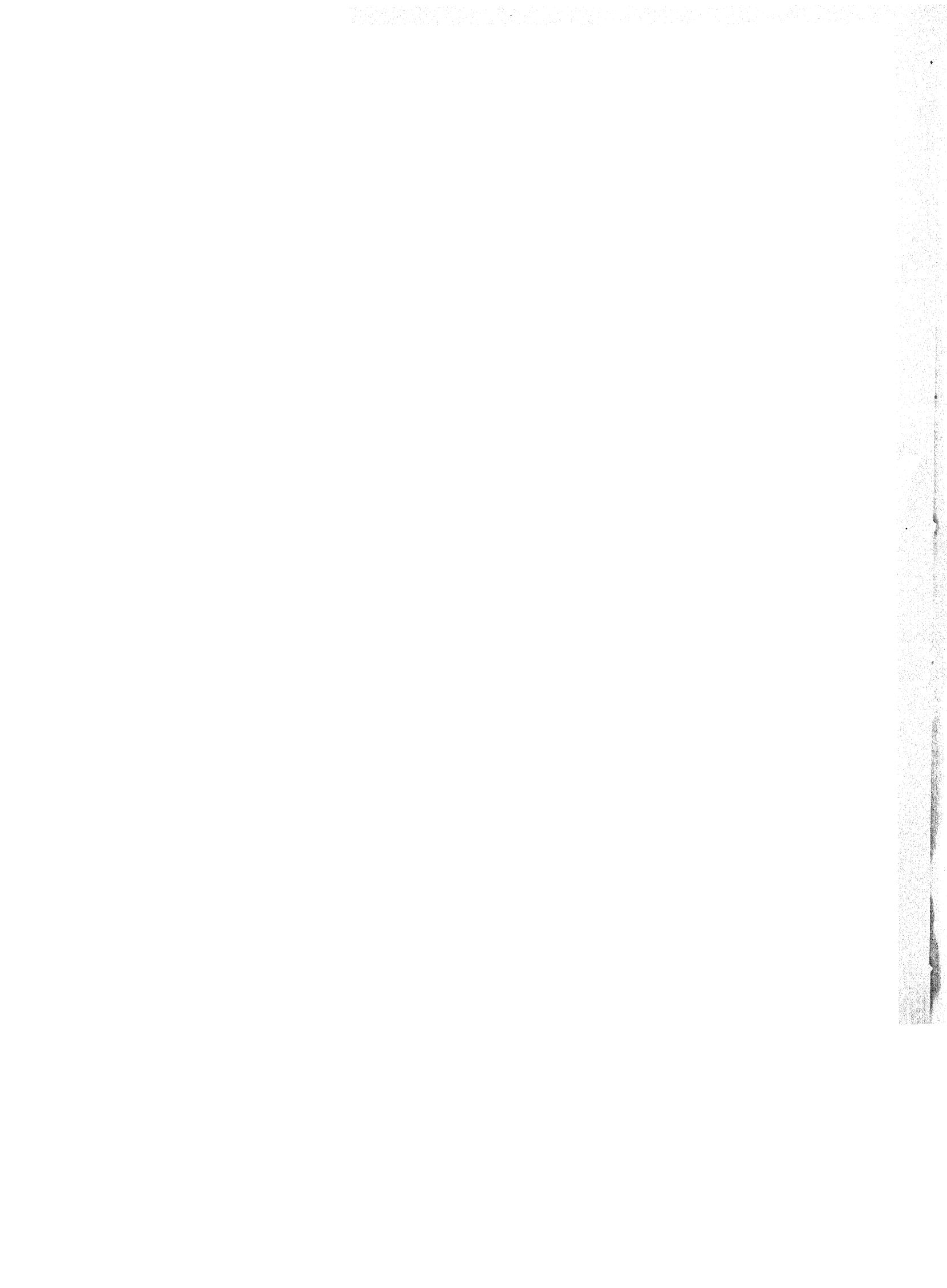


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1964



PART A

Approaches to the Study of
Citizen-Administration Relationships

by

V. Jagannadham

PART B

The Citizen and Administration - Mutual Perceptions
A Sample Survey in Delhi - 1964

Section : Corruption, courtesy, pull,
etc. in Administration

Part I : The Background of the Survey

Part II : Perceptions of Citizens

Part III : Perceptions of Officials

by

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Part A

APPROACHES TO THE STUDY OF CITIZEN-ADMINISTRATION
RELATIONSHIPS

by

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Ruler

1. Citizens - Regular Complex in a Democracy

India is a democratic republic and "the craftsmanship of democratic government is essentially a social skill." Ever since the time of Aristotle the emphasis of democratic government has been upon citizens' participation in government through sharing the responsibilities of office. The citizens and administrators are not two separate entities but they are the same set of people playing different roles in different capacities. Aristotle attributes "practical wisdom" as the characteristic of the ruler and "true opinion" as the virtue of the subject.

Shri Srinivas Sastry aptly described that "in a democratic system of Government no man is free from responsibility, which is exactly proportional to each man's capacity, to his education, to his experience in life, to his disinterestedness, to his capacity of leadership - in brief, to his equipment for effective action in the great struggle that is continually going on to determine the preponderance of good and bad forces in government, and upon the issue on which depend results so momentous to himself and his family, his children, and his country and mankind.

The realisation of this role of the citizen in government in a democracy is a function of civic traditions and political leadership. In the same way as the responsibilities of citizens in a democracy are increasing, the functions of government also are growing in quantity, quality and novelty. For example, the concept of Welfare carries in it the responsibility to provide services from womb to tomb including such tasks as maternity and child welfare, education and employment, industrial peace and social security, capital investment and balance of trade, minimum production and distribution of wealth ensuring a minimum standard of life for all. The fulfilment of these tasks in a democratic planned manner is something new to all States and particularly to States which recently emerged into independence after centuries of foreign rule and feudal traditions. In this context the expectations of citizens as regards the functions and services from Government are high while the resources and capacities of administration do not match the expectations. There is, therefore, a gulf between the expectations and realities and a lag between the cherished aspirations and actual abilities to achieve them. Notwithstanding the fact that citizens and administrators are two facets of the Government, there is a tendency to blame the administration for the short falls in achievements. In India this blame has a new dimension since independence because of the high expectations raised during the struggle for independence and also because there is no one to shift the blame from ourselves to others. It is therefore necessary to put in proper perspective the problem of citizen-administration relationships.

Administration is a way of organising and executing functions over a vast area for the development of human and material resources. The goal is that of the welfare state or better to say, a welfare society; the process is democratic planning and the instrument is administration - both governmental at federal, state and local levels, and non-governmental, i.e. industry, agriculture, business, and social organisations etc. These tasks have to be fulfilled by the existing leadership, in political, economic, social and administrative fields. The public servants and the public are to adapt themselves to the challenging responsibilities set by the welfare State goal, democratic planned process and administration as the instrument of chance. Whenever motivational, institutional or procedural deficiencies were discovered, these were sought to be set right by appropriate ad-hoc measures. This does not seem to be satisfactory because the expected results are not forthcoming. For this reason major reforms in administration are considered necessary. This augurs well provided the true character of administration and the numerous complexities underlying administrative reforms are clearly perceived.

Citizen Commitment crucial to Administration

Administration is a circular process ranging from initial formulation of policy and its implementation to a modification of it consequent upon an evaluation of its implementation. This continuous dynamic process could be regarded the subject matter of administration. If so, where should we search for the strengths and weaknesses of administration as a prime mover of change through democratic planning to lead the

citizens towards the goals of the welfare State? To discover these strengths and weaknesses in administration, we should start with the concept of the double role of citizens (1) as producers and consumers of goods and services in public and private sectors, and (2) citizens as rulers and subjects working in and out of office. From the ranks of citizens come political and business leaders, public and social servants and the critiques and beneficiaries of socio-economic development activities. The first task of any administrative reforms is to examine the extent of commitment of the people at large to the goal of the welfare state, to the democratic planned process and to the role of administration as an agent of change. The concept of commitment could not be inferred from the success at the polls of the party professing this triple policy. The commitment of the bulk of the people would mean an understanding of the goals of welfare state, an awareness of the means and resources for achievement and a preparedness to work to produce the resources to reach the goals. The extent of deficiencies in commitment in the bulk of the people determine the limitations upon the capacity of administration to fulfil its role as an agent of change because in a democracy the administration could not be much ahead of the people in the same way as the level of the river could not be higher than at its source. The degree of commitment is an indication of the collective will and the determination of the nation.

3) Requirements of Democratic Administration:-

Administration, like money, is universal in a modern democratic socialist society in which big business, and big government view with one another to reach the people through the market mechanism or

community services. The size and functions of administration in a socialist or a welfare state and developing societies are constantly growing and therefore the nineteenth century conflict between the state and the citizen is becoming less prominent. On the contrary, a recent study by the P.E.P. aptly remarked that "the simple division between government and governed is no longer adequate." Mr. Mackenzie supports this view when he said that: "The Central administration is not isolated from the community, but entangled in it everywhere, in office hours and out of them." Bigness in size and complexity of functions result in specialization making coordination a separate specialized function. Coordination eludes our grasp because it is either present or not present among the people as a cultural characteristic and mechanical devices of coordination do not help much to create an impact if the temperament to work as a team is not ingrained among the people. The lack of coordination impedes the flow of work, causes delays, promotes red-tapism and encourages "buck passing". Under these circumstances inherent to all big and complex organizations, administration tends to "divide people into departmental slices instead of treating them as unity." Just as steps are taken to control the flow of money with a view to maintain a steady rise in the standard of life, so also steps should be taken to regulate the flow of work in administration with a view to enable the people to produce and enjoy the goods and services appropriate for the democratically planned welfare state ideal. Administration should be judged not merely by its size and cost but by the way it exercises its power within limits that are acceptable to the nation.

as a whole.¹ Monsieur Pujct suggested the following criteria for determining whether an administration is democratic.² (1) It must be open in the sense of having wide contacts with the people. For this purpose a) it must not operate in the interest of the ruler or of a directing class; b) it must be recruited without discrimination from a very broad social strata; c) it must maintain contact with the public through consultation, inquiries and procedures which enable it to be aware of the state of mind of the governed; d) it must avoid an arrogant disposition.

2) It must be controlled not only by an official hierarchy or the jurisdictional power (that is, the right of review given to the administrative tribunals) but also by public opinion and public liberties, such as the freedom of the press, the right of association and the right of demonstration.

3) Administrative power must be subordinate and submissive:

a) administrative power should not exist independently of political power; b) civil servants must not be completely subordinate and the administration must be independent of interference by political parties; c) a political party in power should not try to monopolize all the jobs or to exercise pressure on responsible civil servants; d) the principle of continuity of administration must be maintained."

Professor R. Aron, a well known French Sociologist, mentions the essential criteria of democracy in administration to include

1. Vide Charles S. Hyneman: Bureaucracy in a Democracy, Harper & Bros: 1950, pp. 5-6 N.Y.

2. Cf.: William A. Robson (Ed.) The Civil Service in Britain and France, The Hogarth Press, London, 1956, pp. 5-6.

decentralization; the subordination of administration to policies which reflect the desires of the people; and a friendly attitude on the part of officials towards the governed.

While these norms are incontrovertible, the degree of their realisation in practice is determined by a number of socio-economic factors and cultural traditions. A State of full employment and affluence could afford to ignore lapses from the above norms without much damage to democracy or efficiency in administration while a state of developing economy demands a highly competent good administration to reform bad administration and bring about the desired degree of development.³ Further, the State of full employment and affluence are also products of qualities which ensure the above type of democratic administration. Developing countries are therefore confronted with an egg and hen puzzle to resolve which is the problem before the administrative reforms conference.

4. Centralization-Decentralization trends and traditions in Administration

Administration is tradition-bound and culture-based and as such we should examine the administrative tradition in India before we could introduce innovations. Centralization and personality polarisation seem to be two main characteristics of administrative tradition in India. Besides these, the methods and procedures in the present administration were inherited from and based upon distrust by the foreign

3. H.W. Singer : International Development Growth and Change, p. 57.
McGraw Hill Book Co., 1964.

government of the indigenous personnel and they were intended more to check than release enthusiasm for the exercise of responsibility in a creative way. When today the leaders are introducing schemes of democratic - decentralization and delegation of authority and responsibility, the reforms in institutional framework should have been preceded or accompanied by appropriate reforms in methods and procedures, manuals and codes which would enable the exercise of responsibility with confidence and trust. The adherence to the procedures of a police state to achieve the goals of a welfare state is the greatest desideratum in administration. This aspect deserves scrutiny to be accompanied by appropriate reforms. Even though there is awareness of the need for reform, it is estopped by the difficulties of selecting strategic areas and starting points of reform in the jungle of administration spread over the length and breadth of the country. A radical step was taken when the scheme of democratic decentralisation was suggested and later implemented but reviews of the schemes disclose that political decentralization and structural reforms are not adequate to fight against the trend and tradition of centralization, to establish a consensus between the elected and appointed executives or to bring about a genuine autonomy, delegation of authority and exercise of responsibility. A big area for research and reform is the field of Centralization vs. Decentralization. If the experiment of decentralization is given a fair trial and if the pre-conditions for its success are imaginatively identified and earnestly fulfilled, it may be able to remedy a few maladies of administration such as alienation, red tapism, corruption and courtesy.

Even after establishing decentralized democratic institutions, many problems remain because the pathological phenomena in administration are universal. These are brought about by the growing, technicalities and complexities in administrative organisation, the increasing class and cultural gulf between the governors and the governed and the mounting indifference of the citizen towards participation in government balanced only by the supreme indifference to service accelerated by a wage earner's approach and trade unionism among the middle and lower levels of civil servants. Curiously, administration is now identified with bureaucracy which at one time was an unpopular word for a popular thing namely administration. Prof. W.A. Robson's following observation is most applicable to the situation in India: "The man in the street, the journalist and most politicians persist in regarding bureaucracy as synonymous with the maladies from which it sometimes suffers." Bureaucracy is no doubt indispensable and an essential handle for government to work with; but, as in man, so in administration, the citizens are unapreciative of the long period of health but become conscious of its value only when disease affects them; similarly maladies of administration which are many spur the citizen to become conscious of the contingent evils in administration which threaten to destroy the healthy administration when perpetual vigilance is relaxed.

5. Maladies in administration

W.A. Robson lists the following as the "maladies from which bureaucracy most frequently suffers:" an excessive sense of self-importance on the part of officials or an undue idea of the importance on the part

of officials or an undue idea of the importance of their office; an indifference towards the feelings or the convenience of individual citizens; an obsession with the binding and inflexible authority of departmental decisions, precedents, arrangements or forms, regardless of how badly or with what injustice they may work in individual cases; a mania for regulations and formal procedure; a preoccupation with the activities of particular units of administration and an inability to consider the government as a whole; a failure to recognize the relations between the governors and the governed as an essential part of the democratic process."⁴ The Report of the Committee on the Training of Civil Servants commented on the characteristics of bureaucrats as follows: "The faults most frequently enumerated are over-devotion to precedent; remoteness from the rest of the community, inaccessibility and faulty handling of the general public, lack of initiative and imagination, ineffective organisation and waste of manpower, procrastination and unwillingness to take responsibility or to give decisions." These universal maladies of bureaucracy are sharpened in India by the language barrier. Till recently and probably even today in most parts of the country, English which is foreign to all and is not known to more than ninety percent of the people is the language of administration. In his dealings with administration the "English illiterates", albeit being literate or learned in Indian languages, have to depend upon translating

4. William A. Robson (Ed.) The Civil Service in Britain & France, The Hogarth Press, London, 1956, p. 13.

middlemen or the personal sympathy of the public servants whom they approach for service. This disability of language barrier contributes a great deal to the snobbery and exploitation of officials of the ignorant lay people.

The language barrier also projects as a class-culture barrier. The English educated elite, especially those educated abroad, observe and imbibe certain values of life and means of living which the common people could not aspire or appreciate. The elite who form the policy makers become distinguished by an "alien spirit" in their approach to policies and administration. In this respect, the "non-westernized" elected executives, namely, the politicians at all levels, suffer from varying degrees of absence of "consensus and idem" with the top level permanent executives. Even though the latter, for the sake of expediency, approve of the policies, of the elected representatives it is difficult for them to commit themselves wholeheartedly and become "missionaries of change." This class barrier was felt even in countries like England also in the transformation of the capitalist to a socialist state with a civil service brought up in the former ethic. This impediment was particularly felt by the Labour Government in the expansion and administration of the social services and social security programmes because the "establishment" and the working class live as two nations in the same country.

6. Citizens' Image of Administration

Arising out of the heritage of administration from the colonial period and the maladies of administration in a complex industrial society and Welfare State the citizens in developing countries are said to

entertain the following image of a bureaucrat: "He is at various times:- a) a perverse God who must be propitiated; b) a recalcitrant ass that must be driven; c) a privileged snob, impossible to get the better of; d) a lazy hound, impossible to bring to book; and e) (occasionally) a hard-worked, underpaid and harassed officer doing his best under difficult circumstances. This last is likely to be a judgement by and of, upper-class layers and no doubt often coincides with the self-image of the high ranking public servant."⁵ This generalized image could not be true of all citizens of various types, interests and cultures. It would also be of interest to speculate as to what an administrator thinks as a citizen of other administrators. The citizens' impression of administration as given above may be said to reflect a cross section of opinion from the clite to the ignorant man.

Two factors that affect or influence the common man's impression are 1) the behaviour of the servant to the citizen and 2) the content of decision or service the citizen gets from the servant. Prof. Robson rightly observes that the manner in which a citizen is treated by a public authority may be as important in determining his attitude as the decision itself.⁶ He further remarks: "There is nothing more infuriating than arrogance or conceit on the part of an official, while a friendly and helpful attitude can leave a favourable impression of a lasting nature. This is true even though the behaviour of the official may not

5. C.R. Hensman (ED). The Public Services and the People : In Community No.3, p. 44.

6. William A. Robson: The Governors and the Governed, George Allen & Unwin, London, 1964, p. 20.

in either case affect the decision or the action of the public authority concerned."⁷

7. Administrators' Image of Citizens

There appears to be an over-emphasis upon pillorying the administrator without much consideration for his views about the citizens' role in administration. Good government is a function of the two sides of the Government namely citizens and administrators. We often ignore to recognise the double role of citizens:

1. as representatives elected by the people and put in responsible positions as Ministers or Members of committees and Commissions holding positions of trust, competence and service; and
2. as tax payers and beneficiaries not only enabling the government to provide services but act as watch dogs so that the Government provides courteous and efficient service.

Administrators have two complaints on these aspects: 1) meddlesome interference by legislators and political executives and 2) the apathy of common citizens and their parasitism on government. The substance of these complaints deserves to be investigated and evaluated. The interference by the political executives or representatives should be examined in the cultural background of each nation rather than merely from the stereotypes of an advanced traditional democratic country. Political interference and corruption are considered by some to be fulfilling an 'entrepreneurial' role in the development process of a country in which the electorate is inarticulate and unsophisticated.

A seminar study goes to the extent of saying: "Political interference and corruption are the price we have to pay for persisting with a public service and with laws and regulations which were imposed upon people and about changing which very little is done since independence."⁸ The traditional role of policy making by political executives and administration by the permanent executives, the traditional concepts of the policy and programme neutrality of public servants and impersonal execution of programmes seem to call for revision and modification so as to meet the compulsions of "administration as an agent of socio-economic change" within a chosen political framework.

Administration is an art and developmental administration is much more so because it requires such administrator to be so resourceful as to press the scarce resources, both material and personnel, to go the longest way. The expectations as to these resourceful qualities of leadership from each administrator is hampered by two factors: 1) the steel frame he is bound by and 2) the different types of responses from the public he comes across. The steel frame leaves little scope for the exercise of initiative unless the entire personnel in administration is pervaded by an attitude of trust in the bonafides and competence in performance. This is yet a desideratum. While administrators look for active and intelligent cooperation through participation and suggestions for improvement, they get a public ignorant about administrative requirements and procedures, parasitic upon the government for goods and services.

8. The Public Services and the People, op. cit., pp. 45-46.

The administrators also come across citizens hostile and sabotaging the administrator's attempts to improve the socio-economic conditions. The large scale phenomenon of tax evasion and resource wastage, rioting by students and black-marketing by traders are a few illustrations of sabotage. These and other similar experiences of hindrances to good administration create a poor image of citizens among administrators.

More than all, the attitudes of citizens to administration are the most important. The following quotation, though long, from a thought provoking speech by Prof. Robson is particularly relevant in our country today: "The achievement of good relations between the government and the public is a matter which does not by any means depend solely on the conduct of civil servants and politicians. It depends equally on the attitude of citizens, groups, corporations, associations of all kinds and indeed of all unofficial bodies to public authorities. If we want public servants to behave well towards us we must behave well towards them. Moreover, we must normally assume that they for their part will behave well." Prof. Robson then refers to the adverse consequences of holding the administration in low esteem when he says: "If politicians and civil servants are held in low esteem; if their work is derided; if abuse, and invective is poured on them continuously; if loose and unsubstantial allegations are made about their incompetence, dishonesty, laziness and indifference to the public interest it is unlikely that officials will develop or display qualities of integrity, industry and public spirit." He observes that public esteem by itself does not transform a poor qualities civil servant into one of high quality,

"but it is certainly a potent factor in maintaining or achieving high standards of conduct and competence." Besides esteem, improvements in civil service outlook and competence should be simultaneously attempted and alongside with the improvements people should be kept informed of the unfair bias in their image of the civil service based upon an ignorance of the requirements and complexities of administration. The elimination or minimization of the unjust bias would become possible only when the communications and interplay of citizens and administrators become more free, intimate and easy. A suggestion made in this context is to broaden the basis of recruitment and training of civil servants and association of lay but competent people in the administration of programmes and projects. In other words there is need for a breakdown of barriers between citizens and administration with a view to bring about a greater integration of the civil service and the community. How to bring this about is an area for further study and research by behavioural scientists and administrators. A survey on "Citizen Administration - Mutual Perceptions in Delhi" recently conducted in Institute brings to light the curious phenomenon of high prestige but low esteem for government service. Many people expressed an eagerness to join government for the security it offers, for prospects of promotion it holds out but the people had a low opinion about the integrity of officials, courtesy towards citizens, efficiency in performance etc. By and large it appears that citizens consider Government as an instrument for career-promotion rather than an organized expression of the Community for achieving goals determined by the citizens at large. The identification of citizens

with the Government as their own agency for enlightened self development is yet to grow and become widespread.

Conclusion

A study of citizen administration relationships is marked by a complex pluralist phenomena because the citizens and their interests are multifarious; and administration is polyvalent and pervasive in a modern state. The new independent States which have old traditional cultures have to discover methods by which "administration can be made or kept democratic." For this discovery, and for verifying the maxim that people get the government they deserve, the following questions are posed for discussions:-

1. Is there a distance between the citizens and administrators? If so, how to bridge it?
2. Is there an alienation of administration from the citizens or how far is the "we and they" feeling a barrier in communication and accessibility between citizens and administrators?
3. What are the mutual images of administrator and citizens? Are they vitiated by distance and alienation from each other? How to remedy any unjust bias in the mutual images?
4. Could the maladies of administration be overcome by a greater degree of decentralization or multiplication of elected bodies at different levels?
5. Would the process of decentralization and multiplication of elected bodies favour or hinder development planning and its effective implementation?
6. Are the traditional theories and practices of administration appropriate for adoption in developing countries? If not, what modifications are needed?
7. What are the deficiencies in professional skills and attitudes of civil servants for fulfilling their responsibilities as instruments of socio-economic change?

3. What are the institutional and personal handicaps in the traditional cultures which stand in the way of securing the necessary citizen - administration co-operation for bringing about democratically planned development? In what manner could these handicaps be identified and overcome so as to make the citizens better rulers and rulers better citizens?

Part B

"The Citizen and Administration - A Sample Survey of Mutual Perceptions in Delhi - 1964".

Part I

The Background of the Survey:

The phrase cutting edge is understood in the working paper of the Administrative Reforms Conference held in the Institute in August 1963 as "the level at which a counter clerk deals with a common citizen in a public office". There is in the above working paper a reference to the suggestion that "hierarchical organisations lend themselves to this neglect of low levels of administration...." and further on, the working paper says, "under cover of hierarchy, decentralisation and delegation, the task of administration at the level of its "cutting edge" comes to be dealt with by low level functionaries, ill-equipped and ill-trained for the point of physical contact between the administration and the citizen". The following view is expressed about the calibre of the cutting edge level of administration. "As one descends down the hierarchical ladder, generally speaking, competence decreases, there is less resilience in administration; less wisdom in using judgment or discretion within the law or regulation; more rigidity and a tendency to be "authoritative". The paper poses the question: "What then are the principal lines along which administrative reform at these levels should be pursued so as to make the cutting edge of administration more efficient, more resilient and more responsive to the common citizen whom it seeks to serve"? After referring to such concepts as

"the age of institutions" it ends the topic with a pertinent question, "should we rather be prepared to make major changes and not be content with minor adjustments".

While the phrase "cutting edge" is an appealing analogy, it does not appear to be a self-explaining expression. It carries in it the image of a butcher and whether the edge is sharp or blunt it is unsatisfactory. Further, the statement that the lower the hierarchy the less the competence, wisdom etc. is a statement which needs to be understood with reference to the functions and qualifications prescribed for recruitment to the post of a particular salary grade under consideration. It is not clear whether at the 'cutting edge' level persons of higher calibre and emoluments deserve to be employed so as to create a better 'good will' for administration or whether better equipment and better training of the functionaries with existing qualifications would improve the matters.

The 'cutting edge' is a very vague statement about the lowest level functionaries of a vast system of administration. In the discussions at the conference, an attempt was made to give it a concrete expression saying that it refers to the behaviour of such persons as a customs clerk, a postal stamp vendor, a bus conductor, a railway booking office clerk, a police constable, a tax-collector, a receptionist etc. etc. Notwithstanding the enormous tasks that people in these posts carry under pressures over the length and breadth of the country, there is a widespread impression that they are discourteous, corrupt, and sluggish in their behaviour. Quantitative studies of the extent of this unsatisfactory impression are not available as far as we know. A

suggestion was made by the sub-group on the first subject of the Administrative Reforms Conference to carry a "sample survey designed to determine the nature and content of complaints of citizen-clientele against the unsatisfactory services provided by the Government servants". There is to be "another sample survey of the attitudes of Government Officials towards the citizen-clientele". The sub-group recommended that on the basis of these two surveys, changes should be suggested in: 1) the organisational set up; 2) in the recruitment and training of personnel; 3) in the attitudes of both the officials and the citizen clientele". Partly in pursuance of the above suggestion and partly in pursuance of a research scheme suggested by the Committee of Direction for Research, the Institute carried on a sample study of the mutual attitudes of citizens and administration in the urban and rural areas of Delhi territory.

The extent of tax evasion recently revealed by the Finance Minister of the Government of India indicates a serious state of slackness in the discharge of respective responsibilities by citizens and administrators not merely at the cutting edge level but also at higher levels. One gets the impression that the citizens and administrators are engaged in a game of outwitting each other - the citizens in evading the rules and regulations and the administrators modifying them to check the evasion. It should be further considered whether the behaviour of the persons at the cutting edge level is not a reflection of a serious malaise in administration at all levels; whether the behaviour of the 'cutting edge' level personnel could be isolated for reformation;

whether the mutual images and expectations of the citizens and administration in a developing country and a welfare-bound-state are oriented to these goals.

The contacts between citizens and administrators are many and varied in the daily life of the people in a country. These are growing in number and complexity in modern industrial urban society and welfare state but as a matter of universal experience, another process is also in evidence, namely, the widening of the distance between the citizen and government in all urban areas of the world. There are several facets of the concept of distance. The obvious one is physical distance. This is reflected in the process of centralisation and the phenomenon of referring many matters for decision at Headquarters. The other aspect of distance relates to the prestige, class and culture of the administrators and the citizens. Government service carries with it different degrees of prestige in different cultures. In countries which were subject to colonial rule for a long time and which won independence recently, there exists a high degree of prestige for government service and common people are prone to regard, from their own personal contact or hearsay, people at different levels in government service as belonging to different types of exclusive groups. The public servants are the custodians of knowledge and information denied to an ordinary citizen and as such, the government employees become distinguished superior and distant from the common man. Accessibility to him is restricted

and feared. In a low income country persons employed in white-collar jobs with fixed incomes tend to belong to a different strata of socio-economic class and the distance between the common man and public servant swells with every rise in the hierarchical status in government service. Apart from these general factors, the distance between the citizen and administrators in India in particular is enlarged by virtue of the official language of communications and transactions being different from the language of the common folk. The bulk of the people who do not know English, which is the official language, are at the mercy either of middlemen who know the language or the officials who interpret the official communiques. The fact that the language of administration is different from the language of the people contributes a great deal to the widening of the distance between the citizen and government. The people at the cutting edge make capital out of the language handicap of the common man in several ways ranging from snobbery to profiteering.

Two other factors that contribute to the strained relations between citizens and administrators at the cutting edge level as well as at other levels are the widespread belief that the wheels of government machinery do not move unless they are set in motion either through the cash-greasing of the palm or through the push and pull of contact persons. While cash payment is considered to be a blatant form of corruption, the other is not very much considered so. Ideas about corruption are confused by the legal

and moral aspects of it but both citizens and administrators have inherited in different departments certain traditions of 'Mamuls', TIPs (TURN IMMEDIATE PLEASE) and commissions for out of the turn favours, for concessions or relaxation of rules as to assessments of incometax, house tax, sales tax, for issue of licences and permits etc. etc. These are considered essential to smoothen the process of administration and are classified as the "entrepreneurial" role of corruption. Whenever attempts are made to disturb the arrangement through trapping measures, the wheels stop moving or they move slowly. These anti-corruption measures react adversely upon the relations between citizens and administrators. Measures intended to counteract corruption may strain the relations between the two sides of government at the contact levels. It is suggested that a proper mechanism entrusted with the handling of citizens' grievances would improve the relations between citizens and administrators. This may hold out much hope provided the grievances are genuine and the handling of them is expeditious and earnest. Sometimes, however, the handling of the grievances by superior level administrators may have an adverse impact upon the lower level personnel. The latter may become hostile and act literally according to rules or withhold decisions about matters or send them up for decision or clarification, etc. All these "work-to-rule" tactics may create more serious delays and cause greater strains between citizens and administrators at the contact point.

This note on the cutting edge level is intended to point

to the inadequacies of mechanical remedies, however important they are, in transforming the regulatory into developmental administration. A more significant approach would lie in the long range methods of modification of the educational system and inculcation of professional attitudes at all levels in administration the consideration of which is beyond the scope of this paper. But the following pages contain a short account of the survey conducted with special reference to the attitudes of citizens towards corruption in public services, the role of "pull" in contacts with administration and the courtesy of officials towards citizens in general and in select departments in Delhi. The present report contains only a partial analysis of the data collected and it is specially prepared for the second session of the Administrative Reforms Conference in October 1964. The analysis and the conclusions are subject to modification in the light of a more complete examination of the data.

Corruption in Administration

Part II : Perceptions of Citizens

Introduction

Citizens' perspectives towards administration are conditioned not only by the functions the government performs, but also by their confidence in the justice and integrity among public officials. Janowitz in his study refers to this aspect as the public's belief in the "Principle Mindedness" of civil servants, and defines it thus: "By principle mindedness we mean that the administrative system operates promptly in response to individual needs without corruption, with equal and fair treatment, and without undue consideration of a person's professional agents or of his political affiliation".¹ From this he deduces a basic tenet of a clean and honest administration in a democratic political system, which is stated as follows:

"For administrative behaviour to be based on democratic consent, the public must be of the general opinion that the bureaucracy is guided in its actions by a set of principles. Administrative routines, however, must take into consideration individual differences to insure adequate dealings with clients."²

The Present Study

The present study was undertaken to investigate the attitudes of the citizens in and around Delhi towards the administration in

1. Morris Janowitz, Deil Wright, and William Dolany: Public Administration and the Public Perspectives Towards Government in a Metropolitan Community (Univ. of Michigan, Ann Arbor, Michigan, Bureau of Government, 1958, page 45).

2. Ibid., p. 46.

the context of a democratic-welfare state ideals embodied in the Indian Constitution. The interest was focussed on the perspectives towards government in general and also in the performance of some specific government departments namely, the Postal, the Health, the Police, the Community Development Programme and the D.T.U. (i.e. the Delhi Transport Undertaking). This paper deals only with the views of the public on corruption, courtesy, pull etc. in general and the treatment of citizens in the Health and the Police Departments.

A sample of 337 male adults from the rural areas and another sample of 347 male adults from the urban areas of Delhi State were drawn on the basis of random sampling method. The information was collected by personal interviews based on a prepared questionnaire (in English and in Hindi).

General Perception of Corruption in Administration

To ascertain the general attitudes regarding corruption, the basic question asked was: "How many of the government officials would you say are probably corrupt - many of them, just a few or none at all?" About 42% in urban areas and 48% in rural areas were of the view that a majority of them were corrupt, whereas 17% of the urban and 9% of the rural samples held that about half the officials were corrupt (see Table 1). If we combine these two figures, we find that nearly 60% of the total sample (both urban & rural) felt that more than half the government officials were corrupt.

Table No. 1

Percentage Distribution of the Population by their Opinion regarding Corruption among Government Officials

| | <u>Urban</u> | <u>Rural</u> |
|------------------------------|--------------|--------------|
| Majority are corrupt | 41.5 | 48.1 |
| About half " | 17.3 | 8.9 |
| Just a few " | 19.3 | 15.7 |
| None at all " | 6.9 | 11.6 |
| Don't know & not ascertained | 15.0 | 15.7 |
| Number | <u>347</u> | <u>337</u> |

It is also interesting to note that a small majority (7% urban; 12% rural) felt that corruption did not exist at all.

The opinions expressed by people with different levels of income and education and people belonging to different occupational groups, caste groups and age groups have also been analysed and these reveal some interesting attitudes.*

Income Groups

Income wise analysis indicated the following results. In the urban area, a very large proportion (nearly three fourths) of the people with incomes below Rs.100, as compared to 60% in the rural areas, felt that more than half the officials were corrupt. But only 50% (which is less than the total proportion) of those

* Analysis in terms of income, education and caste, does not include the views of the following as they form a very insignificant proportion, of the total sample. Income 'Rs.501-750' and 'Above Rs.750' income groups in the Rural Sample; Education "graduate" sample in rural areas; Caste "Jats" & 'other middle caste' categories in urban sample and the "Muslims" in the rural sample are not dealt with.

with incomes above Rs.300 in both the areas held this view. In the latter income groups it was noticed that roughly a third in both the areas also believed that only a few officials were corrupt. A significant variation was noticed for the rural sample in the middle income group of Rs.201-300 among whom 76% (in contrast to about 60% of the total sample) held that more than 50% of the officials were corrupt.

We find that a large percentage of the people in low income groups falling below Rs.300 hold that majority of the officials are corrupt whereas in the upper income groups i.e. between Rs.301-750 the figure is roughly fifty percent. This may be interpreted in more than one way. For example, the lesser income group people who seldom have much experience or contact with administration entertain an exaggerated image of corruption while this picture becomes less picturesque as we reach the higher income groups. Nevertheless, it is relevant to students of democracy to note the impressions of the lower income groups because these should count for as much as the higher income groups, if not more. Further in a country with a vast illiterate and inarticulate mass of people who are unfranchised to work the democratic institutions, the faith of these lower income groups in the integrity of administration has a great significance for the future of democracy.

Educational Groups

Attitudes of people on the basis of their literacy levels revealed some interesting results, though no simple pattern could

could be traced. In the urban areas, about 56% of the illiterates and an equal proportion of those with high school education, 60% with primary education and 75% with middle school education held that more than 50% of the public officials were corrupt. Compared to this, only 45% of the urban graduate sample had expressed a similar view. However, about 30% of those with high school education and 36% of the graduates in urban areas also felt that only a few officials were corrupt. Only about one tenth of the urban sample in each of the education groups felt that none of the officials were corrupt.

In the rural areas, 50% of the illiterates and a similar percentage of those with middle school education, 73% with primary education and 60% with more than high school education considered more than half the officials to be corrupt. Only 12% of the total rural sample felt that none of the officials were corrupt, whereas this view was held by 27% of the rural sample with middle school education.

A larger proportion of the urban in contrast to rural population, irrespective of their level of education except in the primary education group, seem to think that corruption exists among government officials. The percentage of the people in rural areas who expressed that none of the officials are corrupt is on the whole larger than in urban areas. This difference in rural-urban attitudes to corruption among the illiterates or the educated may be attributed partly to the difference in the frequency of contacts to get needs satisfied through officials and partly to

the difference in the degree of knowledge, either through reading newspapers or through hearsay, about corruption among officials.

Occupational Groups

An occupation-wise analysis of the problem showed that in urban areas 74% of the skilled workers and only 45% of the unskilled workers held that more than half the officials were corrupt. About 45% of the clerical class also held this view. A high percentage (62%) of the "Professional-Managers and Proprietors" had expressed the same opinion. About one fourth of the "managers and proprietors" and an equal proportion of the clerical class were also of the view that only a few officials were corrupt.

In the rural areas, 58% of the skilled workers, farmers, "Professional-managers & proprietors" and the clerical class expressed the opinion that more than 50% of the officials were corrupt. About 64% of the unskilled workers shared the same view. Roughly one-fifth in each of the above occupational groups also said that only a few officials were corrupt, whereas this opinion went up to one third among the farmers (non-owner cultivators).

In both urban and rural areas, the 'proprietors and managers' group formed the single largest occupational group (32% urban, 42% rural). This is significant in so far as they constitute the middle class which is in all countries the bulwark of democracy. That a high percentage of this class of people hold that more than half the government employees are corrupt is not too conducive for the working of democracy.

Caste Groups

Castewise analysis also revealed some interesting attitudes. In the urban areas about 55% to 60% among the Brahmins, 'other high castes' and Harijans, about 70% of the Muslims and an equal proportion in the category of 'other low castes' considered more than 50% of the officials to be corrupt. One tenth, of the Harijans and 'other low castes' and about one fourth of Brahmins and 'other high castes' felt that very few government employees were corrupt.

In the rural areas, 62% of the Brahmins, 71% of 'other high castes' and 65% of Harijans, 57% of 'other middle castes' expressed the view that more than half the officials were corrupt. But only 50% of the Jats and 45% of 'other low castes' held the same view. Compared to one tenth in each of the other caste groups, one fourth of the Brahmins and one third of the 'other low castes' also felt that only a few officials were corrupt. It is interesting to note that 23% of the Jats had affirmed that the administrative machinery was free from corruption, whereas only about 10% belonging to other caste groups had expressed a similar degree of confidence.

It is not possible to draw any generalisation out of the data based on caste. The Jats are said to be a self reliant community and hence probably are less dependent on the administrators for getting things done. This might explain their viewing the administration more favourably. But otherwise a large number of Muslims and 'other low castes' in urban areas and a large number of Harijans, 'other high castes' and even Brahmins in rural areas

have expressed that majority of the officials are corrupt. The high costs in urban areas do not seem to share the same experience as the high castes in rural areas. In the light of the favours in healthy service etc. it may be inferred that the influence of contact arising out of caste affiliation is still persisting.

Age Groups

Age-wise analysis of the data also indicated interesting results about the perspective of corruption in the Administration. In the urban areas, 75% of the population below 25 years of age and an equal percentage of those above 55 years of age held the view that more than half the officials were corrupt. Further 61% in the '26-35' age group and only about 48% in the '36-45' and '46-55' age ranges had expressed the same view. It is significant to note that as compared to less than 15% in other age groups, about 25% of those in the '36 to 45' and '46-55' age groups considered that only a few officials were corrupt.

In the rural areas, about two-thirds of the sample in the 'below 25', '26-35', and '46-55' age groups and about half of those in the '36-45' and 'above 55' age ranges had expressed the view that more than half the public officials were corrupt.

Even if we leave aside the feelings of the older generation as of not much significance, we like to draw attention to the high proportion of the relatively young people (below 25 years age group) believing in the existence of corruption among a high percentage of officials. Analysis of other questions also

confirms a persistence in this view among this age group which deserves the notice of all interested in democracy.

Low Salary and Corruption

Probing the causes for corruption, the respondents were asked whether they felt that low salary of employees was responsible for the prevalence of corruption. The opinions of the urban and rural population differed significantly. In the urban areas 38% believed that corruption was due to low salaries, while 27% did not think so. On the other hand, only 16% of the rural population attributed corruption to low salaries, while 46% felt that it was not a causative factor. This may be due to the differences in ideas as to what constitutes low salary. Since the term 'low' was not operationally defined, it is difficult to generalize about the influence of this difference of opinion.

Role of Intermediaries

The problem of corruption cannot be viewed in isolation. It has a close relationship to the confidence among the citizens to get services or things done through governmental agencies by their own efforts. If this confidence is lacking, people tend to approach the government either through persons known to them who could influence the people in the government or through some organisations which specialise in serving the people through their contacts with the government such as political parties, or

occupational associations or voluntary social service agencies.³

This kind of approach also may not be available for all and as such, some people resort to the offer of money for getting things done. For this reason we have also considered it necessary to ascertain the opinions of the people about the role of "contact persons", in this context. The following table contains the views of the respondents on the problem (see Table No.2).

Table No.2

Percentage Distribution of the Population as to how they would approach the Government if they had a problem

| | <u>Urban</u> | <u>Rural</u> |
|------------------------|--------------|--------------|
| Do it Myself | 25.0 | 23.1 |
| Through another person | 45.8 | 61.1 |
| Some organisation | 0.6 | 0.3 |
| Both | 3.2 | 2.7 |
| Other approaches | 0.9 | 7.1 |
| No opinion | 24.5 | 5.4 |
| Not ascertained | - | 0.3 |
| Number | <u>347</u> | <u>337</u> |

3. W.A. Robson: The Civil Service in Britain and France, The Hogarth Press, London, 1956, pp. 12-13, "The Civil Service is far from indifferent to public opinion of certain kinds. It is exceedingly sensitive to parliamentary opinion, especially that of the House of Commons. It is also highly sensitive to the views of large and powerful organizations, such as the T.U.C., the National Union of Farmers, the National Union of Teachers, or the British Medical Association. But the Service is much less sensitive to the views or feelings of ordinary citizens, partly because they are usually unorganized, and partly because, except during elections, they have less influence with Ministers. One of the weak spots

As may be seen from the above table 46% of the urban and 61% of the rural population had frankly admitted that they would seek the help of influential individuals in their dealings with public officials. A very small minority in both the areas (about 3%) felt that they would approach the authorities through some organizations as well as individuals. About 7% of the rural population said that the method of approach would depend upon the nature of the problem. About one fourth of the urban sample did not express any opinion.

Some interesting results were indicated by caste-wise analysis of the problem. In the urban areas, relatively a large numbers of Brahmins (35%), and 'other high castes' (29%) said that they would approach the government officials directly. But only 16% of the Harijans and 7% of 'other low castes' had the same degree of confidence. In the matter of approaching the authorities through another person, 'other low castes' group was the single largest caste group with a high proportion (60%) believing in the necessity of 'knowing the right person'.

In striking contrast, in the rural areas, roughly 30% in the 'other high caste' and an equal proportion of the Jats and Harijans were confident of dealing with the officials without any

Footnote contd.....

of some civil servants is the tendency to regard as unimportant an incident which may have created violent indignation among a few families in a village. We - or is it they? - have become too statistical in our perception of what is important".

intermediaries. Of the Brahmins, 'other middle castes' and 'other low castes' roughly 20% expressed the same degree of confidence. Further, as compared to 60% of the Jats, Harijans and 'other high castes' groups and Brahmins, a very high proportion of the 'other middle castes' and 'other low castes' (73% in each) expressed the need for getting help from persons known to government officials with whom they had to deal.

Certain significant results were noticed when the data was analysed in terms of the age-composition of the population. About two-thirds of the urban sample in the 'below 25 years' age group felt that they would seek the help of influential persons in problems requiring governmental action, and only 15% were confident of directly dealing with the governmental agencies. In the rural areas also, about 62% of those in the said age-group felt the need of some intermediaries in approaching the authorities. Of this, 55% had expressed the need for 'knowing the right person' and another 6% felt that they would seek the help of some professional organization. For a little over one tenth of the rural youths, the method of approach would depend upon the nature of the problem. Only about a fourth of them had expressed confidence in dealing directly with the officials.

Apart from the attitude of the younger generation, about 70% of the rural sample and 50% of the urban sample above 25 years of age felt that they would seek the help of persons known to the authorities. However, it should not be immediately inferred that the rural people are prone to rely more on outside

help than the urban public, because in the urban areas on an average 25% to 35% did not express any opinion on this question. Notwithstanding this limitation, our data point out the lack of self confident among the public at large in approaching the authorities directly. This lack of confidence in direct approach may be partly due to the ignorance of the procedures in administration.

Influence of "Political Pull"

This matter was further probed by putting the following question: "Some people think that "political pull" (or knowing the right person) plays an important part in whether the government will help a private person with some problem he has, other people don't think so. What is your opinion about it?" A majority gave an affirmative response to this question (Table 3).

Table No.3

Percentage Distribution of the Population showing whether they feel "Political Full" is essential in approaching the authorities

| | <u>Urban</u> | <u>Rural</u> |
|------------------------|--------------|--------------|
| Yes, pull is important | 54.1 | 69.7 |
| Yes, sometimes " | 5.5 | 5.0 |
| No, hardly matter | 6.9 | 11.0 |
| Depends | 3.2 | 1.8 |
| No opinion | 30.3 | 12.2 |
| Not ascertained | - | 0.3 |
| Number | 347 | 337 |

That "political pull" had an important role to play was the opinion of 54% of the urban and 70% of the rural population, about 5% in both the areas felt it important sometimes. Only a minority (7% urban; 11% rural) had expressed the view that political pull hardly mattered. About a third of the urban population and a little over one tenth of the rural sample expressed no opinion.

Caste-wise analysis revealed that in the urban areas only about 47% of the Brahmins and 55% of 'other high castes' felt that political pull played a crucial role. Forty seven percent of the Harijans and 70% of 'other low castes' have affirmed that its importance depended on the problem on hand. It is significant to note that 63% of the Muslim population (who formed 6% of the urban sample) had not expressed any opinion, and only 32% considered that political pull would be important. The importance of 'political pull' or 'knowing the right person' was felt by 70% of the rural population irrespective of their caste to which they belonged.

Age-wise analysis indicated that 81% of the rural sample in the 'below 25 years' age group believed in the importance of 'political pull' in their dealings with the administration. About 70% in the '26-55 years' age range and 55% of those above 55 years age group shared the same view.

In the urban areas also a little over half the sample belonging to various age groups subscribed to this view. Attention

should, however, be drawn to the fact that about 30% of the urban sample in each age group said "Don't know" to this question.

The widespread popular belief in the need for 'political pull' in dealing with the public officials, whatever maybe the reason, is a limitation upon the welfare state ideology and the popularity of the democratic machinery of government. As stated earlier, the lack of confidence in the effectiveness of direct access to government officials accelerates such malpractices as corruption. That about 60% of the youth below the age of 25 in both the urban and rural areas feel diffident about the success of direct approach warrants the need for creating greater confidence among the youth in the ideology and the working for democratic welfare state.

Role of Party Leader

In this connection, the role of the political party leader as an intermediary between the citizen and administration might be of interest. As Table No.4 indicates, only 19% of the urban and 40% of the rural population felt that approaching party leaders would be helpful. In both the areas, 34% said that party leaders might not be able to help them. About 45% in the urban and 22% in the rural areas did not express any opinion on this question (Table No.4).

Table No.4

Percentage Distribution of Population indicating whether they feel party leaders would be helpful in problems requiring governmental action

| | <u>Urban</u> | <u>Rural</u> |
|-----------------|--------------|--------------|
| Yes | 19.0 | 40.1 |
| No | 35.4 | 33.5 |
| Don't know | 45.0 | 22.3 |
| Not ascertained | 0.6 | 4.1 |
| Number | 347 | 337 |

It appears that people do not consider that party leaders will be helpful in their dealings with the administration. In fact, as Table No.5 shows, only 16% of the urban and 18% of the rural population had actually sought the help of those leaders in problems requiring governmental action. About three fourth of the samples in both the areas had never approached them for any assistance.

Table No.5

Percentage Distribution of the Population showing whether they have sought the help of party leaders

| | <u>Urban</u> | <u>Rural</u> |
|-----------------|--------------|--------------|
| Yes | 15.6 | 17.5 |
| No | 75.5 | 76.6 |
| Don't know | 8.3 | 4.1 |
| Not ascertained | 0.6 | 1.8 |
| Number | 347 | 337 |

The extent of dependence on party leaders did not vary significantly among different income groups in the urban areas. But in the rural areas, roughly 30% of those in the 'Rs.201-300' and 'Rs.301-500' income groups (in contrast to less than 20% in each of the other income groups) had sought the help of such leaders.

Among the people with different levels of literacy, it was noticed that one third of the urban sample with middle school education and equal proportion of the rural sample with high school education and above, were helped by political leaders in their problems with the administration. In contrast, only less than one fifth in each of the other literacy groups in both the areas have had any such experiences.

The proportion of the urban sample in different occupations who were helped by political leaders did not show any variation from the general figure of 16% for the urban sample as a whole. In the rural areas, relatively a large number of the clerical and salesman class (34%) had approached the party leaders (compared to less than 20% in the other groups). It was also noticed that only 3% of the skilled workers in rural areas had approached the administration through the political leaders, while 97% of them have never gone to the latter.

On a castewise analysis, we found that 26% of the Harijans in urban areas, 29% of the 'other high castes' and 27% of Jats in rural areas had approached the political leaders to help solve

the problems requiring governmental action. But only less than 20% in each of the other caste groups in the respective areas had depended on such help.

Age differences also did not indicate any wide variation in the proportion of those who had sought the help of politicians.

That a large number of the people do not approach political party leaders to intercede on their behalf may be due to many reasons. First, the public may feel that politicians are not effective (or powerful) enough to influence the administration; secondly, the party leaders might not be known to the people at large or thirdly, they too might be inaccessible.

Personal Experience about "Political Pull"

We tried to find out the validity of these opinions on "political pull" by relating it to the personal experience either of themselves or of their friends. The question was: "Have you or anybody known to you had any experience which indicated that political pull helps a citizen?" When this question was asked, we found that hardly a fifth in both the urban and rural areas had any direct experience at all; while a large proportion of the sample (58% urban and 65% rural) said that they have not had any such experience, i.e. using 'political pull' to get things done. The remaining expressed no opinion. While only a minority have had any personal experience, yet the majority (60% urban, 75% rural) opined it as important. On this matter, the study made by Morris Janowitz expressed the following view: "Thus, aside

from the minority who condemned it, political pull and political favoritism were, so to speak, the advantages other persons were alleged to have in dealing with the administrative behemoth. It was viewed as a human and understandable way of coping with and adapting to complexity and impersonality. The image of political pull involved a popular conception of the bureaucracy's response to organised pressure and group representation".⁴

In the light of these conclusions of a general nature an attempt is made below to analyse the public's image regarding the extent of corruption in particular departments, namely, Health and the Police.

Health

The Department of Health is a very major and an important public service with which all cross sections of the public have wide contact at different levels. It was, therefore, considered as an important aspect of the study to ascertain the public views about the department in general and health officials in particular.

The data revealed that 37% of the urban and 36% of the rural population felt that there was corruption in general in dispensaries and hospitals. On the other hand, 34% in urban areas and 48% in rural areas held that hospitals were run justly. About 26% of the urban sample and 14% of the rural sample expressed no opinion.

4. Op. cit., page 50.

Probing this matter a little further, the respondents were asked whether they felt that health officials performed their duties in a 'non-discriminatory' manner. An analysis of the data showed that about 38% in urban and 58% in rural areas were of the view that all people were given equal and fair treatment by the health officials. But a very small minority (2% urban, 4% rural) felt that preferential treatment was obtained by 'bribing' the health officials. Others said that relatives and friends of the health officials (11% urban, 10% rural), the wealthy or the upper caste people (11% urban, 9% rural), and influential leaders (5% urban, 3% rural) received a better treatment.

Table No.6

Percentage Distribution of Population indicating whether they feel that health officials discriminate between clients

| | <u>Urban</u> | <u>Rural</u> |
|--|--------------------------|--------------------------|
| Yes, all are treated equally | 37.5 | 57.6 |
| No, wealthy or upper caste favoured | 10.9 | 8.6 |
| No, influential people, leaders favoured | 4.9 | 3.3 |
| No, politicians favoured | - | - |
| No, other reasons (relatives and friends favoured) | 10.9 | 9.5 |
| No, people able to bribe | 2.3 | 4.4 |
| No, combination of 2.6 favoured | 0.8 | 3.0 |
| No, does not specify | 0.6 | 1.2 |
| Don't know | 21.9 | 11.3 |
| Not ascertained | <u>1.1</u> <u>347</u> | <u>1.1</u> <u>337</u> |
| Number | | |

However, about 22% in the urban and 11% in the rural areas had expressed their lack of knowledge on the matter. The reason for this may be partly due to the fact that 15% in the rural areas had never been to a government hospital.

An income wise analysis indicated the following results. In the urban areas the proportion of people who felt that "all are treated equally and fairly" fell from 46% in the case of those with incomes below "Rs.50/- to 27% of the sample with incomes between Rs.301-500' and steeply down to 15% in the 'above Rs.750' range. Following the same trend, we noticed that only about 25% of the sample with low incomes (below Rs.100) felt that there was discrimination, while 60% with higher incomes (above Rs.750) shared the same view. The wealthy and the upper caste people, influential persons in the locality and the relatives and friends of health officials were generally referred to as receiving preferential treatment.

In the rural areas, a smaller number of people (47%) in the 'Rs.51-100' range felt that there was no discrimination, while another 34% were of the view that the wealthy and upper caste people, relatives and friends of health officials received preferential treatment. In contrast, two thirds in each of the other income groups held the view that health officials were fair in their dealings with the clients and only one fourth of them felt that there was discrimination.

Among the different literacy groups, a large number of the Urban sample with primary education (51%), (as compared to about one third in other groups) felt that all were treated in a 'non-discriminatory' manner. Another feature which we noticed was that at least half of those with middle school education and above referred to the wealthy and the elite receiving preferential treatment, while only one fourth of those with primary education and below shared this view. In the rural areas, only 36% of those with high school education and above believed in the "fairness" of the health officials, while nearly 60% felt that there was discrimination. On the other hand, nearly 60% of the illiterates as well as those with primary education and 70% middle school education believed that all were treated equally and fairly.

Occupation-wise analysis of the problem showed that in the urban areas, about 50% of the unskilled workers were of the view that health officials did not discriminate. In contrast, only 30% to 40% in other occupational groups hold the same opinion. In the rural areas, only 45% of the farmers, as compared to 58% of the total rural sample, felt that health officials were not influenced by the status of a person in society. Different occupation groups also referred to the rich and the upper caste people, the relatives and friends of health officials to be given special treatment.

Caste differences revealed that 26% of the Harijans and 37% to 40% of other castes including Brahmins in urban areas felt that all were treated equally. But one fifth of the sample in the said caste groups held that the wealthy and the upper caste people were given preferential treatment in hospitals. In striking contrast to the above views in urban areas, a little over 60% of the Harijans, and an equal proportion of 'other low castes' and 56% of the Brahmins in rural areas felt that health officials did not discriminate. It is, however, significant to note that 17% of the rural sample belonging to 'other high caste' group held that preferential treatment was extended in return for illegal gratification.

Age differences indicated some interesting information. In the urban areas, about 50% of the sample in the 'below 25 years' age group felt there was discrimination, whereas roughly 40% in other groups held the same view. Further one fifth of the youths referred to the 'relatives and friends' of the health officials as receiving favourable treatment in government hospitals.

In the rural areas, about 50% in the 'below 25' and '26-35' age groups were of the opinion that all were treated fairly, while a little over 60% of those in other age groups (above 35 years) shared the same view.

The above analysis indicates broadly that "bribe" is not a significant factor in the relations of the people to the health officials; but the bulk of the sample indicated preferential treatment for the relatives and friends of health officials, and for the wealthy and upper caste groups. Behind the latter opinion lies the class and caste complex in the matter of preferential treatment. This might be partly due to the fact that health officials by and large belong to these class and caste groups. Attention may be drawn to the favourable opinion expressed by a larger percentage of the rural as against the urban sample. This may be attributed to the high level of expectation of service from the health officials among the urban people.

Police

People's views on corruption in the Police Department which is the custodian of law and order is of special interest. Our data as given in Table No.7 indicates that while a large percentage of the public do not have a high opinion of the Police Department, there is a large percentage of the people in urban areas who said that they don't know.

Table No.7

Percentage Distribution of Population by their opinion regarding the prevalence of corruption in Police Department

| | <u>Urban</u> | <u>Rural</u> |
|----------------------------|--------------|--------------|
| Yes, (there is corruption) | 51.6 | 54.9 |
| No | 7.8 | 16.6 |
| Qualified - depends | | 0.3 |

| | | |
|-----------------|------|------|
| Don't know | 40.5 | 27.0 |
| Not ascertained | - | 1.2 |
| Number | 347 | 337 |

Fifty two percent of the urban and fifty five percent of the rural population felt that there was corruption in the police department. Only about 8% in the urban and 17% in the rural areas said "No". About 41% of the urban sample and 27% of the rural sample in the rural areas had no knowledge on this matter. This might partly be due to the fact that three fourth of the urban as well as the rural samples have not had any personal experience with the local police. Those persons who have no opinions on this question, may no doubt tilt the scales. However, one cannot apportion this inarticulate section to either side exclusively. Much might be said in both sides as to their reactions. Even assuming that the "Don't know" category would have denied the prevalence of corruption in the Police Department the proportion of those who have said that corruption exists in the Department has to be considered quite high.

Some of the explanations given in support of their belief in the prevalence of corruption among the Police were 1) "Police want or need more money (4% each in urban and rural areas") 2) "they will not act unless they receive a bribe" (8% urban, 10% rural), 3) "common knowledge, everybody knows they take bribe" (14% urban, 11% rural), 4) "more opportunities or temptation" (1% urban, 5% rural) and 5) "they would let a culprit go free if they receive a bribe" (1% urban, 5% rural).

The only major variation noticed among different income groups in urban areas was in the case of those with incomes above Rs.750, of whom 65% felt that the Police Department was corrupt. In the rural areas a large proportion (68%) in the 'Rs.301-500' income range as compared to 55% in each of the other income groups held the same view. It was also noticed that one fourth of the rural sample in the Rs.101-200 and Rs.301-500 ranges felt that the Department was free from corruption.

On the basis of literacy levels we found that in the urban areas, the illiterates and those with middle school education differed significantly in their perception of corruption from other groups. About 40% of the illiterates and as much as 68% of those with middle school education believed that corruption was prevalent among the Police. In the rural areas, in contrast to about 50% in other groups, 68% with primary education held the same view. It is also significant to note that 24% of the rural sample with middle school education and 32% with High School education had expressed complete confidence in the integrity of the personnel in the Police Department.

An occupation-wise analysis showed that 62% of the 'Professional managers and proprietors' group and 41% of the clerical class in the urban areas and 69% of the farmers in rural areas considered the Police Department to be corrupt. The other occupational groups in the urban and the rural areas did not differ significantly from the general average for the respective areas given in Table No.7.

Compared to at least half the urban sample in different caste groups, 70% of 'other low castes' and only 26% of the Muslims said that Police Officials were corrupt. As regards the views of the Muslims it should be noted that 58% of them did not express any opinion. In the rural areas 63% of 'other low castes' 61% of 'other high castes' and only 47% of Brahmins as against half of those in other caste groups considered the police as corrupt. Of those belonging to 'other high castes' in rural areas, 29% also held that the Department was free from this evil. As regards the rural Brahmin sample, it should be noted 41% had expressed lack of knowledge on the matter.

Age-composition of the population revealed that in the urban areas 60% in the 'above 55 years' group felt that the department was corrupt in contrast to about 50% in other age groups who shared the same view. In the rural areas, 71% in the 46-55 age group and 41% in the 'above 55' group differed significantly from the general average of 55% who felt that corruption was prevalent in the Police Department. It should also be mentioned that only 15% in the '46-55' age range and as much as 42% in the 'above 55' group (as compared to 27% of the rural sample in general) had not expressed any opinion on this question. Particular reference has to be made to the opinion of the below 25 age group on this question. About 55% of the urban and 62% of the rural sample in the said age group were of the view that corruption was prevalent in the Police Department and only 6% of

the urban and 17% of the rural youths expressed confidence in the integrity of the Police Officials.

Leaving aside the inarticulate section of the sample, the affirmative responses of at least half the public in both the areas indicates the lack of communication between the Police and the Public. That their views are based not on any personal experience is also clear. In the absence of such a communication public esteem of the Police personnel can never be built up.

This public image regarding corruption in the Police Department could perhaps be usefully correlated with the opinion about the kind of job done by the police. The respondents were asked whether "the police are doing a poor, fair, good or very good job?" (Table No.8).

Table No.8

Percentage Distribution of Population by their opinion regarding the kind of job done by the Police

| | <u>Urban</u> | <u>Rural</u> |
|-----------------|--------------|--------------|
| Poor | 36.3 | 23.7 |
| Fair | 19.9 | 12.5 |
| Good | 16.4 | 50.1 |
| Very good | 1.2 | 3.6 |
| Don't know | 25.9 | 9.2 |
| Not ascertained | 0.3 | 0.9 |
| Number | 347 | 337 |

In the urban areas, 16% felt the performance of the Police was good, about 20% fair and barely 1% very good. On the other

hand, in the rural areas, 50% had said the police were doing a good job, 13% fair and about 4% very good. About one fourth of the rural and a little over one third of the urban population have expressed the feeling that work done by the Police was poor.

An interesting fact emerges from the analysis. The view of the urban population seems to establish that a high degree of corruption is accompanied by low efficiency of performance. The rural population, however, appears to judge these two aspects quite distinctly, and does not seem to think that there is a relationship between efficiency and integrity. One possible explanation for this may be that the rural people tend to condone the corrupt police officials if they do their job well. Some of the problems for which they seek the help of the police are the arrest of unruly elements (poachers or poultry thieves) in the villages, settlement of minor disputes and the like. In such disputes, the police seem to help them in arriving at a compromise in return for small illegal gratification thus saving their expenses of litigation. There is obviously a difference in the perception of what is 'good', 'fair' and 'poor' between the urban and the rural sample.

Corruption in Assessment & Collection of Levies

In the assessment and collection of levies also while a large number of people felt that the taxation authorities were not honest, there is a large percentage of respondents in urban areas who expressed no opinion.

Table No. 9

Percentage Distribution of Population by their opinion regarding the prevalence of corruption in the assessment and collection of Levies

| | <u>Urban</u> | <u>Rural</u> |
|-----------------------------|--------------|--------------|
| Yes (there is corruption) | 37.2 | 44.5 |
| No (there is no corruption) | 16.4 | 29.7 |
| No opinion | 45.5 | 24.3 |
| Not ascertained | 0.9 | 1.5 |
| Number | 347 | 337 |

As may be seen from the table, about 37% in the urban areas and 45% in the rural areas had said that tax officials were corrupt. This large percentage in the rural areas might be accounted for by the fact that most of the village people have to pay land tax which they could not evade except by unfair means in collusion with tax collectors; and the payment of 'mamuls' is a universal phenomenon in the rural areas. About 16% of the urban and 30% of the rural population felt that tax officials were honest. It is, however, to be noted that nearly 46% in the urban areas and 24% in the rural areas did not express any opinion on this question. In the urban areas nearly 60% of the sample did not come within the taxable income groups, and hence they might not have had any occasion to deal with the revenue authorities and for the salaried classes, tax is assessed and collected at the source and as such there would have been no occasion to feel directly with tax collectors. Under these circumstances, the opinions expressed must be considered to be based upon indirect knowledge and as such, may be of less value than those based upon direct knowledge.

Attitudes of the Public towards individual officials

Even though the public accepts political pull as significant and corruption to be widespread, they seem to rate the contacts with individual officials favourably.

Table No. 10

Percentage Distribution of Population indicating the level of satisfaction in their dealings with public employees

| | <u>Urban</u> | <u>Rural</u> |
|-----------------|--------------|--------------|
| Poor | 18.4 | 15.4 |
| Fair | 40.6 | 15.1 |
| Good | 23.6 | 54.6 |
| Very good | 2.6 | 2.7 |
| Don't know | 13.6 | 8.6 |
| Not ascertained | 1.2 | 3.6 |
| Number | <u>347</u> | <u>337</u> |

In our study, about 41% of the urban population have said that their personal dealings were 'fair', 24% said 'good' and only 18% said 'poor'. The corresponding figures for the rural areas were 15% 'fair', 55% 'good' and 15% 'poor'. There is no evidence here of widespread discontentment. Popular belief in the importance of political favouritism does not appear to be in conflict. With a higher level of satisfaction about personal dealings with public officials.

Attitudes towards behaviour of officials

The public's general image about the behaviour of the public

officials is also not affected by their belief in the prevalence of corruption and political pull. The majority of the people (54% urban, 70% rural) felt that the health officials who discriminated between clients were nevertheless courteous. Only 26% in urban and 20% in rural areas had said that their behaviour was far from satisfactory.

Table No. 11

Percentage Distribution of Population showing their attitudes concerning courtesy of Health Officials.

| | <u>Urban</u> | <u>Rural</u> |
|---|--------------|--------------|
| Yes, behaviour is very good. | 9.5 | 11.0 |
| Yes, behaviour is good. | 44.7 | 58.8 |
| No, behaviour is poor or disco rteous. | 20.5 | 15.1 |
| No, very discourteous or rude. | 1.7 | 3.3 |
| Depends - sometimes good, sometimes bad. | 2.0 | 1.2 |
| Other critical. | 2.3 | 1.8 |
| Other supportive. | 1.1 | - |
| Don't know. | 10.7 | 4.7 |
| Not ascertained. | <u>7.5</u> | <u>4.1</u> |
| Number | 347 | 337 |

As in the case of health officials, a large number of rural population (as compared to the urban public) seem to be more satisfied with the relations of the police officials to the public.

Table No. 12

Percentage Distribution of the Population by their attitudes concerning courtesy of Police Officials.

| | <u>Urban</u> | <u>Rural</u> |
|----------------------|--------------|--------------|
| Yes, courteous. | 30.0 | 61.1 |
| Discourteous. | 42.9 | 28.2 |
| Qualified - depends. | 0.3 | 0.3 |
| Can't say. | 26.8 | 9.5 |
| Not ascertained. | <u>—</u> | <u>0.9</u> |
| Number | 347 | 337 |

Sixty percent in the rural areas had expressed the view that the police officials were courteous and only 28% said they were discourteous. On the other hand, only 30% of the urban population were satisfied with the police officials' behaviour and 43% felt that they did not extend courtesy that is normally expected of them. Twenty seven percent in urban and ten percent in the rural areas have no opinion on the behavioural pattern of the police officials.

In this connection an attempt is made to find out whether there is any difference in the image of the public about the behaviour of the persons employed in government as against private agencies. As the Table No. 13 indicates, no valid inference could be drawn from the data for, a larger percentage of the population have not expressed any definite view.

Percentage Distribution of Population by their attitudes
concerning courtesy of Public and Private employees

Table No. 13

| | <u>Urban</u> | <u>Rural</u> |
|---------------------------------|--------------|--------------|
| Govt. Employees more courteous. | 19.6 | 41.8 |
| Private. | 18.4 | 12.2 |
| No opinion. | 59.9 | 30.0 |
| Both treat alike. | 1.2 | 13.3 |
| Not ascertained. | <u>0.9</u> | <u>2.7</u> |
| Number. | 347 | 337 |

The question asked was: "Would you say that generally you get more courteous service and attention in dealing with governmental employees or in dealing with the employees of private companies?" The responses indicated that in the urban areas 20% felt that government employees were more courteous whereas 18% held the view that private employees were more courteous and 1% said that both were alike. On the other hand, 42% of the rural population were of the opinion that government officials were more courteous and only 12% had a favourable impression about employees of private companies, while 13% did not find any difference between them. About 60% in the urban and 30% in the rural areas did not express any opinion. This may be because they have no personal experience with either of the services. Further, the larger percentage of the rural people in contrast to the urban public who feel that the Government servants are more courteous might be due to the fact that the farmer's dealings are mostly with public officials,

particularly the community development officials who are specially trained in the extension service techniques.

There is thus no indication of widespread dissatisfaction with the behavioural pattern of government officials.

Administration's concern for Public Opinion:-

But the public seem to make a clear distinction between the government as an institution and the officials as its functionaries. A large number of the people (87% urban, 67% rural) were of the opinion that the views of the common man were not taken into account in the formulation of policies by the government. Only 5% of the urban and 26% of the rural samples disagreed with this view.

In contrast to the above view wherein government is viewed as an institution, the reactions of the public to the statement "Public officials really care quite a lot about what people like me think," reveals a difference in the attitudes between rural and urban sample. Fifty three percent of the rural sample credited the officials with a response for the views of the common man whereas only thirty five percent of the sample in the urban areas felt this way. Thirty nine percent in the rural areas and fifty percent in the urban areas were of the opinion that the officials did not take into account the views of the common man. A small minority in both the areas (7% rural, 14% urban) did not express any opinion.

Conclusion:-

The present study is only a partial analysis of a part of the survey results on the mutual perceptions of citizens and administrators in Delhi specially prepared for the Administrative Reforms Conference. The conclusions therefore are tentative and would be later modified in the light of a more comprehensive analysis of the whole data.

Specific conclusions pertaining to each aspect of analysis are given in the body of the report and as such are not summarized here. Here a few highlights indicated by the present survey are mentioned.

There is no doubt that a large percentage of the people in both urban and rural areas, either on the basis of direct experience or on hearsay impressions, feel that corruption exists among public officials, that contacts through inter-mediaries are more helpful than direct approach, that favours are shown by officials to relatives, to friends, to high caste and high income groups of people. Whatever explanations may be tendered in extenuation of the prevalence of this phenomena, one must confess that the infant democracy in India has to go a long way before it can lay claim to have established a democratic tradition in its administration particularly in the relations of the public servants with the public. From this point of view the lack of confidence expressed by the younger age groups needs specially to be noted. While the form of government is democratic, the servants who work the governmental machinery do not

inspire confidence in the public about integrity, fairplay and courtesy to the citizens. This is evident from the questions on corruption, role of contact persons, party leaders, professional or other organizations in public's dealings with the government. One serious limitation on the validity of any generalization of this kind is the large percentage of people who expressed no opinion on certain questions asked. The survey being first of its kind is intended to educate ourselves in ascertaining the citizens' reactions and responses with a view to modify administration's approaches, communications and relations with the citizens! Much remains to be done in these directions. In particular, we like to draw attention to the very minor role played by organized public opinion. Prof. W.A. Robson aptly remarks, "The Civil Service comes into frequent contact with the groups which exist; it feels their influence and hears their highly articulate demands."⁵ He asks the question, "But what about the interests which are not organized and not articulate?"⁶ and later on observes, "It is a poor conception of democratic administration which considers that the benefits of government shall go mainly to the most powerful and vociferous groups."⁷

5. The Civil Service in Britain and France: op. cit. P. 13.

6. Ibid.

7. Ibid.

He suggested that the Civil Service must be completely integrated in the community if the spirit of democracy is to permeate administrative process. Three practical suggestions given to achieve this object are:-

1. the composition of the Civil Service should be such as to be by and large representative of the diverse groups and classes in the community.
2. the communication between the governors and the governed should be more imaginative, effective and continuous and;
3. the encouragement of widespread participation by a large part of the "lay public," i.e. who are neither professional politicians or civil servants, in the business of government not merely at the top levels and in the recommendatory roles but at all levels and in the evaluation roles.

Some steps are no doubt taken in these directions but these obviously do not seem to have made much impact. While the results of the survey need not be interpreted as alarming or cynical because old traditions die hard and new ones take time to take roots, this is however no time for complacency because the infant democracy needs nourishment of various kinds for it to grow and in the words of P. riclos, "eternal vigilance is the price for liberty."

Part III: Perceptions of Officials

Government officials were also interviewed to ascertain their views on corruption and also their opinion of what citizens think of corruption among public officials. For this purpose, the Postal, the Police, the Health, the Community Development departments and the Delhi Transport undertaking were taken for the Survey. A sample of 220 officials (106 urban, 114 rural) belonging to these departments was drawn. The information was collected by interviewing the officials based on a prepared questionnaire. The sample is small and the conclusions indicated are based on the opinion expressed by the respondents in the sample.

Corruption in Government Departments in general:-

Both in urban and rural areas the officials interviewed felt that government servants were corrupt, though they differed in their views regarding the extent of its spread. Only a very small minority expressed complete confidence in the integrity of the Administration. As Table No. 1 indicates, one fifth of the urban sample and about one-third of the rural sample felt that more than half the government officials were corrupt. Those who considered the Administration to be free from corruption formed a small minority (4% urban, 11% rural).

Table No. 1

Percentage Distribution of officials by their opinion regarding prevalence of corruption among public officials in general.

| | <u>Urban</u> | <u>Rural</u> |
|--|---------------|---------------|
| None are corrupt. | 3.8 | 10.5 |
| Very few, less than 10% corrupt. | 17.0 | 27.2 |
| One fourth to one third are corrupt. | 12.2 | 11.4 |
| About half are corrupt. | 8.5 | 7.9 |
| Over 50% upto 75% corrupt. | 3.8 | 14.9 |
| Almost all corrupt. | 6.6 | 8.8 |
| Indicates corruption but not the percent. | 24.5 | 8.8 |
| Don't know. | 20.8 | 10.5 |
| Not ascertained. | <u>2.8</u> | <u>=</u> |
| Number | 106 | 114 |
| | <u> </u> | <u> </u> |

Seventeen percent in urban and 27% in rural areas said that only a few officials (less than 10%) were corrupt. About one fourth of the officials in urban areas and one tenth of those in rural areas admitted the prevalence of corruption without indicating the extent of its spread. The remaining expressed no opinion.

Officials' view of the Public Image of Corruption:-

An attempt was made to gather information about the officials' view of the public image regarding corruption in the Administration in general. The question posed was, "What

percent of the public do you think would say that officials in your position are corrupt?"

Table No. 2

Percentage Distribution of officials according to their view of public image regarding corruption in Administration.

| | <u>Urban</u> | <u>Rural</u> |
|---|--------------|--------------|
| All or almost all the public. | 5.7 | 1.8 |
| Over 50% but not more than 75% of the public. | 2.8 | 3.5 |
| 25% to 50% of the public. | 11.3 | 3.5 |
| Less than 25% of the public. | 18.9 | 28.1 |
| None would say officials are corrupt. | 34.9 | 56.1 |
| Don't know what the public's views are. | 21.7 | 7.0 |
| Not ascertained. | <u>4.7</u> | <u>=</u> |
| Number | 106 | 114 |

As the data shows, 56% of the officials in rural areas and 35% in the urban areas held that no member of the public would say that ^{they} were corrupt. Only a small minority of the total sample (10% urban; 5% rural) felt that more than half the public would doubt the integrity of officials in their position. About 28% of the officials in urban areas and 19% in the rural areas expressed the opinion that less than one fourth of the public would question the integrity of public officials. A little over one fifth of the urban sample and about a tenth of the rural sample did not

know what the public's views would be on this question. The officials in rural areas expressed a greater measure of expectation of public confidence in their integrity as compared to the officials in the urban areas.

Corruption in each of the Departments:-

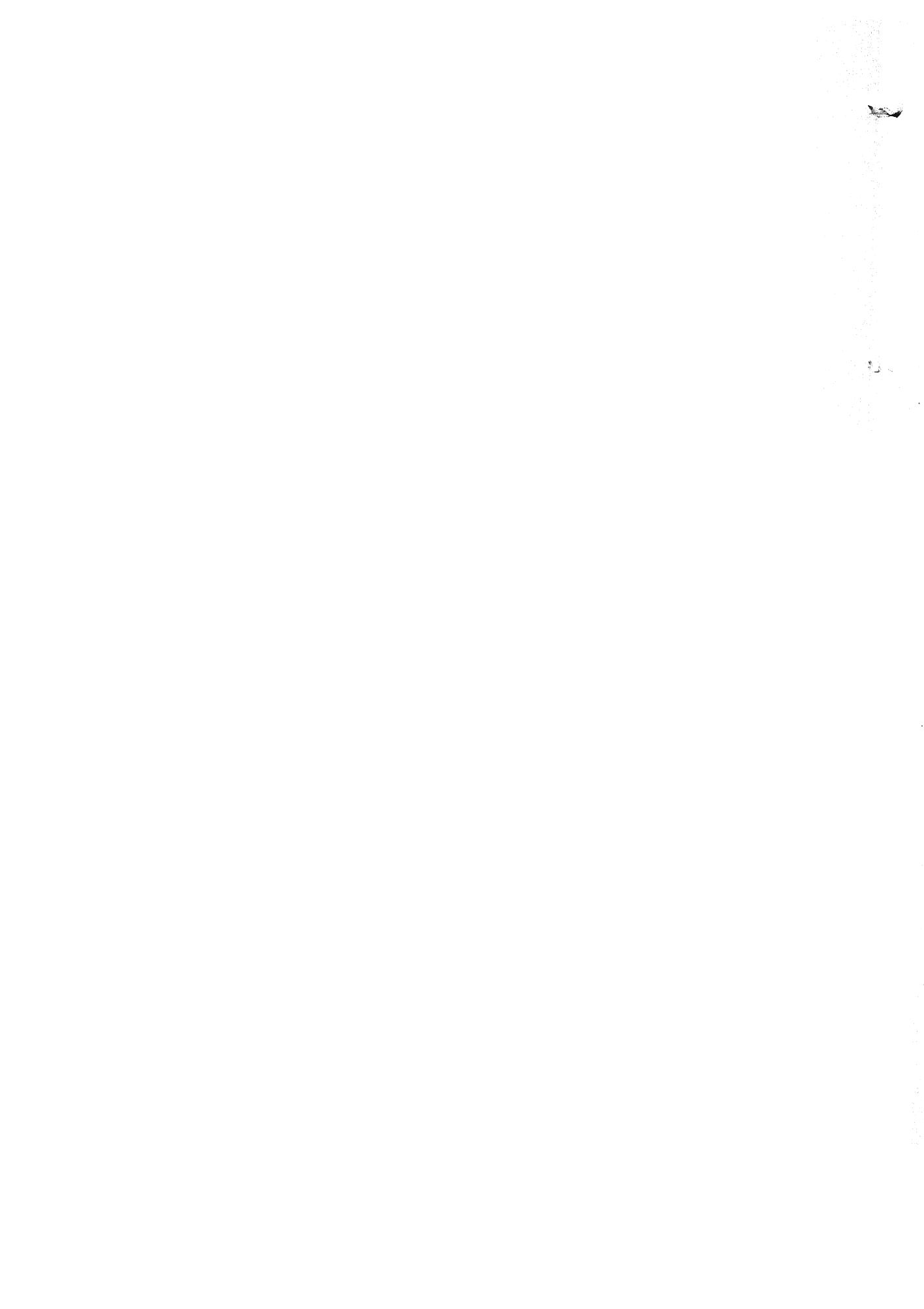
Turning from this general response regarding corruption in administration, the officials were asked, "What percent of employees in your own agency would you say are corrupt?" The findings pertaining to each department are given below. (Refer Table N.. 3).

Postal:- About 69% of the postal officials in rural areas and 21% in urban areas felt that their department was free from corruption. A little over 10% of the rural sample and 58% of the urban sample were of the view that only a few (less than 10%) postal officials were corrupt. A small minority (5% urban, 13% rural) expressed doubts about the integrity of about 30% of the officials in their departments. It will be clear that this response indicating very little corruption among Postal Officials is in line with the commonly held view that the postal service is relatively free from this malaise. This may be because of the limited scope for malpractices in the Postal Department or it may be due to the inherited tradition of freedom from corruption. It is also significant to note that a larger number of Postal officials in rural areas have expressed greater confidence in department's personnel than the urban sample.

Table No. 3

Percentage Distribution of officials by their perception of corruption in their own departments.

| | Postal | | Police | | Health | | Community Development | | D.T.U. | |
|--|---------|---------|---------|---------|---------|---------|-----------------------|---------|---------|---------|
| | Urban % | Rural % | Urban % | Rural % | Urban % | Rural % | Urban % | Rural % | Urban % | Rural % |
| None are corrupt. | 21.0 | 68.8 | 14.7 | 8.8 | 16.7 | 38.8 | - | 63.6 | - | - |
| Very few, less than 10% corrupt. | 57.9 | 12.5 | 23.5 | 29.4 | 19.4 | 6.4 | - | 21.2 | 29.4 | - |
| 1/4th to 1/3rd are corrupt. | 5.3 | 12.5 | 17.7 | 8.8 | 2.8 | - | - | - | 5.9 | - |
| About half corrupt. | - | - | 2.9 | 5.9 | 2.8 | 6.4 | - | 3.0 | 11.8 | - |
| Over 50% upto 3/4th corrupt. | - | - | - | 11.8 | - | 6.4 | - | - | 5.9 | - |
| Almost all. | - | - | 5.9 | 5.9 | 5.5 | 6.4 | - | - | 11.8 | - |
| Indicates there is corruption but not the %. | 5.3 | - | 14.7 | 11.8 | 8.3 | - | - | - | - | - |
| Don't know. | 10.5 | 6.2 | 17.7 | 17.6 | 41.7 | 35.5 | - | 12.1 | 35.2 | - |
| Not ascertained. | - | - | 2.9 | - | 2.8 | - | - | - | - | - |
| Number | 19 | 16 | 34 | 34 | 36 | 31 | - | 33 | 17 | - |



Police:- Police officials seem to entertain greater doubts about the integrity of the personnel in their own department. Only about 9% in rural and 15% in urban areas hold that all the police officials were honest in their public dealings. About 30% of the police officials in rural areas and 25% in urban areas were of the view that only a few were corrupt, while 9% of the rural and 18% of the urban samples felt that one fourth to one third of them were not honest. The view that more than half the police officials were corrupt was held by 24% of the Police officials in rural areas and 9% in urban areas. A little over one tenth of the rural as well as the urban police officials admitted the prevalence of corruption in their department, though they were not certain of its extent. The remaining expressed lack of knowledge on the matter.

Health:- It is not possible to draw any conclusions on the basis of the health officials' perception of corruption in their department, as a sizable section of the health officials (36% rural, 42% urban) did not express any opinion. Among those who gave a positive response, 37% in rural areas and 17% in urban areas felt that the Health Department was free from corruption. About 6% of the rural and 20% of the urban samples held that only a few health officials might be corrupt. Twenty percent of the health officials in rural areas and eight percent in urban areas expressed the opinion that more than half the officials in the Department were corrupt.



Community Development:- A majority of the C.D. personnel (65% rural) asserted that their department was free from corruption, while 21% held that very few (less than 10%) were corrupt. Only one official interviewed held the view that about 50% of the officials in the C.D. department were corrupt. The remaining expressed no opinion.

Delhi Transport Undertaking:- Employees of the D.T.U., formed about 16% of the urban sample. Excluding 35% of those who did not express any opinion on this question, the rest of the sample (nearly 65%) admitted that corruption was prevalent in the D.T.U., though they differed in their image regarding its extent. Of this, 29% felt that only a few officials were corrupt while an equal proportion were of the view that more than half the D.T.U. employees indulged in malpractices. About 6% held that one fourth to one third were corrupt.

"Influence of Political Pull" :-

An attempt to relate the officials' belief in corruption in the administration to the influence of "political pull" in getting things done, was made for two reasons. First, officials' views might indicate the extent of the Administration's response to organised group pressure. Secondly, it might also reveal the extent to which they themselves as citizens depended on "contact persons" for their personal problems requiring governmental action. The same question relating to "Political Pull" which was posed to the public was also asked of the officials. Data shows that



an overwhelming majority of the officials are of the view that "political pull" has an important role in the citizens' dealings with the administration.

Table No. 4

Percentage Distribution of Officials by their opinion regarding the role of "political pull" in their dealings with citizens.

| | <u>Urban</u> | <u>Rural</u> |
|---|--------------|--------------|
| Yes, very important. | 5.7 | 23.7 |
| Yes, important. | 61.3 | 49.1 |
| No, of very little importance hardly matters. | 2.8 | 9.6 |
| No, not important at all. | 15.1 | 8.8 |
| Yes, at some levels, in some respects, or for some persons. | 1.9 | 2.6 |
| Uncertain. | 0.9 | 0.9 |
| Refuses to say. | 3.8 | 1.8 |
| Don't know. | 8.5 | 3.5 |
| Not ascertained. | — | — |
| Number | 106 | 114 |
| | — | — |

As Table No. 4 indicates, 6% of the urban and 24% of the rural officials felt that "political pull" played a very important role in their dealings with the public, while 61% of the officials in the urban areas and 49% in rural areas considered it to be important. Combining these two figures, it was found that two thirds of the urban sample and three fourths of the rural sample felt "knowing the right person" would be necessary for the citizens



in approaching the public officials. Only about one fifth of the officials in urban as well as in rural areas were of the view that "political pull" hardly mattered.

Though a majority of the officials believed that the administration yielded to pressure exercised by organized groups and 'contact persons,' only a minority have had any personal experience wherein they sought the help of such intermediaries to intercede on their behalf. The question asked was: "Have you had any experience yourself which indicated that "political pull" helps one to get service from the government? From Table No. 5, it could be seen that a very large proportion of the sample (82% urban, 75% rural) had no experience with 'political pull' in their dealings with the administration.

Table No. 5

Percentage distribution of officials according to their personal experience with "political pull."

| | <u>Urban</u> | <u>Rural</u> |
|-----------------------------|--------------|--------------|
| Yes, general response only. | 4.7 | 5.3 |
| Yes, specific experiences. | 8.5 | 14.0 |
| No. | 82.1 | 75.4 |
| Don't know. | - | - |
| Refusal to answer. | 3.8 | 1.8 |
| Not ascertained. | <u>0.9</u> | <u>3.5</u> |
| Number | 106 | 114 |



A very small minority (5% each in urban and rural areas) gave a general response without indicating the nature of the problem wherein "contact persons" successfully influenced the administration. About 9% of the officials in urban areas and 14% in rural areas cited specific personal experiences involving "political pull."

Officials' advice to the public:-

Though the officials consider "political pull" to be important in the private citizen's dealings with the administration, it appears that they would rather advise the citizens to develop a sense of self-confidence and approach the public officials directly in solving problems requiring governmental action. The following question was asked: "In general, if you were to advise a citizen who had a problem and needed governmental help, would you advise him to go personally to the department concerned, or to get the assistance of a person who was on friendly terms with the governmental official or agency concerned? As Table No. 6 shows, about 60% of the officials in urban areas and 50% in rural areas said that they would encourage the private citizens to deal with the authorities personally without recourse to intermediaries. But 31% in urban and 42% in rural areas were of the view that they would advise them to seek the help of influential persons known to the officials with whom they might have dealings.

Table No. 5

Percentage Distribution of Administrative Officials by their opinion regarding the method of approaches they would suggest to the citizens.

| | <u>Urban</u> | <u>Rural</u> |
|-----------------------------|--------------|--------------|
| Go personally. | 58.5 | 50.8 |
| Get assistance from others. | 31.1 | 42.1 |
| Both. | - | 0.9 |
| Others. | - | 0.9 |
| Uncertain. | 5.7 | 1.8 |
| Don't know. | 3.8 | 2.6 |
| Not ascertained. | <u>0.9</u> | <u>0.9</u> |
| Number | 106 | 114 |

A large number of urban officials have expressed themselves in favour of direct approach whereas the opinion in rural areas is almost equally divided on this question. This difference in the counsel of officials between urban and rural areas is noteworthy. The urban officials by and large suggest an approach of self reliance while the rural officials still consider the role of contact persons to be important.

Officials relations with the Public:-

The officials do not seem to feel that the prevalence of corruption comes in the way of their cordial relations with the public. Our data showed that a overwhelming majority of the sample (86% urban, 96% rural) felt that their relations with the

public were "good." About 12% in urban areas and 3% in rural areas said it was "very good."

Table No. 7

Percentage Distribution of Administrative officials of their opinion regarding their relations with the public.

| | <u>Urban</u> | <u>Rural</u> |
|-------------|--------------|--------------|
| Very Good. | 12.2 | 2.6 |
| Good. | 85.8 | 95.6 |
| B.C. | - | 1.8 |
| Very Bad. | - | - |
| Not sure. | 1.0 | - |
| Don't know. | <u>1.0</u> | <u>-</u> |
| Number. | 106 | 114 |

Administrative Behaviour:-

Probing the officials' relations with the public a little further, the following question was posed to ascertain the officials' perception of the public image about their behaviour. "What percent do you think of the public would say officials like you are courteous in their dealings with the Public?"

Table No. 8

Percentage Distribution of Administrative Officials by their opinion regarding the public perception of officials' courteous behaviour.

| <u>Public</u> | <u>Urban</u> | <u>Rural</u> |
|---------------------------------|--------------|--------------|
| All or almost all. | 51.9 | 69.3 |
| Over 50% but not more than 75%. | 13.2 | 8.8 |
| 25% to 50%. | 8.5 | 5.3 |
| Less than 25%. | 7.5 | 3.5 |
| None. | 1.0 | - |
| Don't know. | 15.1 | 12.3 |
| Not ascertained. | <u>2.0</u> | <u>0.8</u> |
| Number. | 106 | 114 |
| | — | — |

As Table No. 8 shows sixty nine percent of the officials in rural areas and 52% in urban areas felt that the entire public would consider all the officials to be courteous; while 13% of the urban and 9% of the rural samples held that over 50% of the public would consider all the officials to be courteous. A little over one tenth in both areas (15% urban, 12% rural) did not express any opinion on the question.

Administration and the Ordinary Citizens:-

In a democracy the views of the common man should find way to the seats of authority making policy decisions. The views of the common man expressed through professional or occupational organisations formed for specific purposes may sometimes be



communicated to those in authority. "But where there is no pressure from an organized group," writes Professor W.A. Robson, "Civil servants may too easily assume that all is well and nothing need be done."¹ It may not be possible even for organized groups, to exorcise much impact unless they develop powerful lobbying techniques. The government should therefore so conduct itself that no group develops a feeling of neglect or isolation, nor be indifferent/unorganized public opinion. Since the officials are the functionaries of the government, they are in a far better position to assess the extent to which the views of ordinary citizens influence the decisions of the government.

In this context, the officials were asked to give their opinion on the following statement:

"The average citizen does not have much say about what the government does." As can be seen from Table No. 9 below, 53% of the urban sample and 46% of the rural sample agreed with this view.

Table No. 9

Percentage Distribution of officials by their opinion regarding the citizens' views on what the Government does.

| | <u>Urban</u> | <u>Rural</u> |
|------------------|--------------|--------------|
| Agree. | 52.8 | 45.6 |
| Disagree. | 40.6 | 50.0 |
| Unsure. | 5.7 | 3.5 |
| Not ascertained. | 0.9 | 0.9 |
| Number | <u>186</u> | <u>114</u> |

1. W.A. Robson: Civil Service in Britain - op. cit. P. 13.

On the other hand, 40% of the officials in urban areas and 50% in rural areas felt that the views of the ordinary citizens exerted an impact on governmental actions. Thus officials in both the areas are divided roughly half and half on this question.

Closely related to this issue is the question of citizen-administrator relationship in the day to day working of the administration. Earlier analysis showed that "political pull" played a significant role. This is with reference to the citizen's specific problems requiring administrative action. But the officials' response to the statement that "public officials really care quite a lot about what the ordinary citizen thinks," indicated that they are responsive to the views of the common man on general issues facing the community.

Table No. 10

Percentage Distribution of officials by their opinion regarding the influence of common man's views on the Administration.

| | <u>Urban</u> | <u>Rural</u> |
|------------------|--------------|--------------|
| Agree. | 65.1 | 56.1 |
| Disagree. | 28.3 | 38.6 |
| Unsure. | 5.7 | 5.3 |
| Not ascertained. | 0.9 | - |
| | 106 | 114 |
| | _____ | _____ |

As Table No. 10 shows, 65% of the officials in urban areas and 56% in rural areas agreed with the statement; while 28% of the urban sample and 39% of the rural sample did not agree with this statement.

By way of summing up the survey results of the officials' sample we may say:-

1. The attitude of officials towards corruption in general is much less sharp than that of the citizens.
2. when questioned about corruption in their own departments, the majority of the officials in the Police and the D.T.U. considered that corruption was widespread in their departments whereas the community development and Postal officials felt that there was little of it in their departments. A considerable number of the health officials did not express any opinion; among the remaining, the majority were of the opinion that there is little corruption in the department.
3. a considerable percentage of officials also view political pull to be important. However the percentage of officials who had direct experience of political pull in their own affairs is small.
4. There is a marked difference between the urban and rural officials in their advice to the citizens towards the use of direct approach as against approach through contact persons in that the former is more in favour of direct approach than the latter.
5. an overwhelming percentage of officials perceive that public's relations with the administration are either good or very good.

6. A large percentage of officials feel that the public thinks that the public servants are courteous and well behaved towards the public.
7. As regards the impact of common man's views on the administration, the officials' views are evenly divided. But about the concern of public servants for the views of the common man, more than half the officials (65% in the urban sample and 56% in the rural sample) seem to pay a lot of attention for public's reactions and responses to their activities.

Conclusion:-

On the whole, therefore, the officials seem to have a more satisfactory opinion about their own actions and behaviour towards the citizens. However, there are, even among the officials, some who are not satisfied in these respects. Attempts should therefore be directed to shake the complacency of those who are satisfied and examine the areas of dissatisfaction of the rest so that the gulf between mutual images of the officials and the citizens is bridged and both obtain maximum satisfaction with each other. This is necessary in view of the fact that officials of certain departments are also in the relationship of citizens to the departments other than their own. The citizen-ruler complex in a democracy is mutually interacting and as such a better rapport should be established between the two sides of government, namely citizens and officials.



To conclude: "The practical problem in many countries," in the words of Prof. Robson, "is to introduce a sufficient degree of improvement in the civil service to persuade the citizens that the image they have hitherto had of the civil servant was biased and therefore unjust. To enhance the public esteem in which civil servants and politicians are held is a difficult operation, to which social psychologists, sociologists and political scientists might well give their attention."²

2. W.A. Robson: The Governors and the Governed,
George Allen and 1964,
p. 21.



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THE EXPERIENCE OF CITIZENS IN GETTING
WATER CONNECTION

(A Study in Corruption)

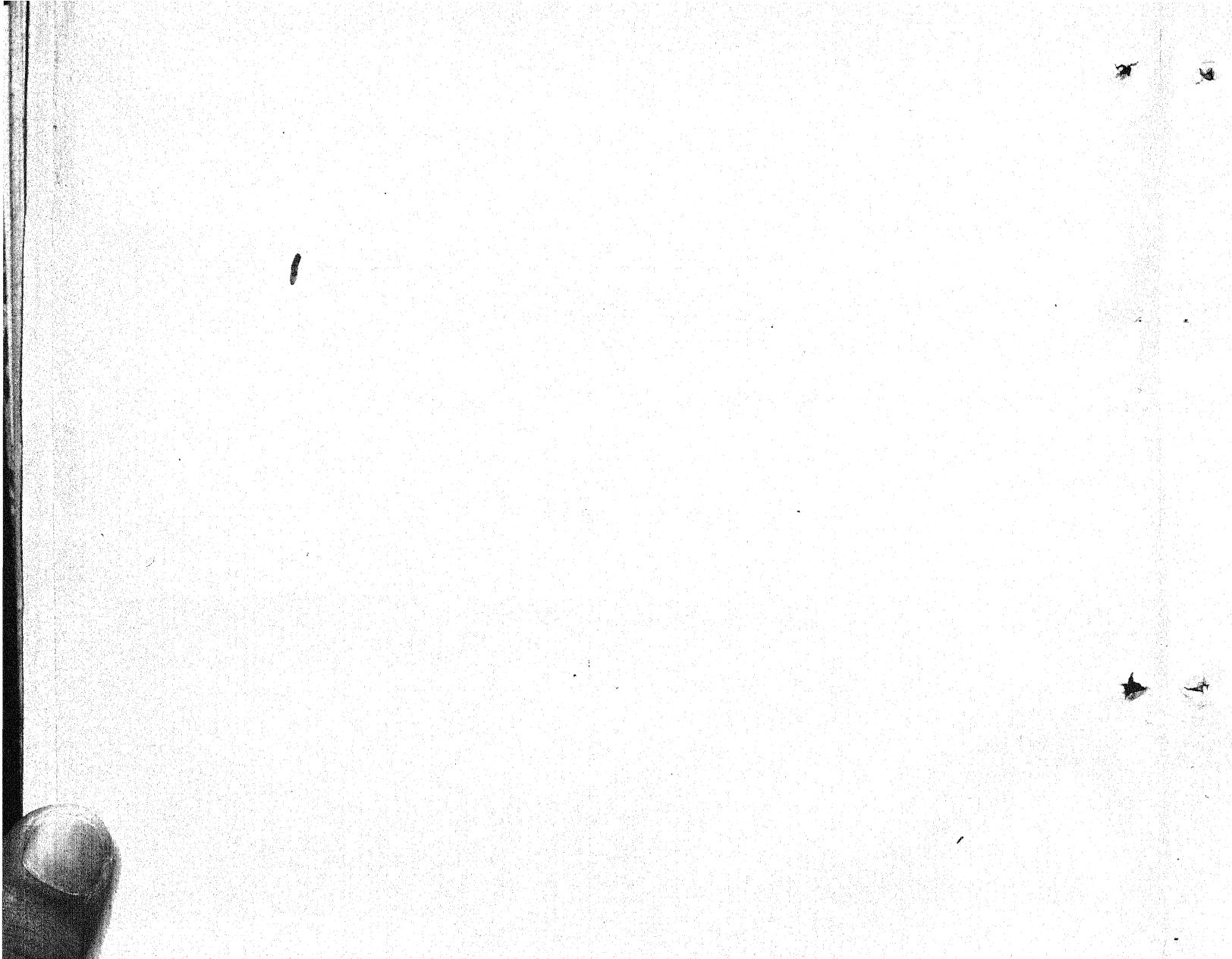
A Survey Report

By

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NEW DELHI - I.

October 1964.



A C K . N O W L E D G E M E N T S

The Institute would like to express its thanks to the Deputy Commissioner (General) and the Chief Engineer (Water) of the Municipal Corporation of Delhi for their valuable cooperation in conducting the survey.

Shri Arunachalam, Executive Engineer (Water) deserves special mention for his interest and keenness in the study and in providing all facilities to the investigators. Thanks are also due to Mr. Din Dayal, Supervisor, Connections and to various officials at the three zonal offices 1) City North, 2) Karol Bagh, 3) New Delhi.

We would also like to express our appreciation to the respondents.

The study was completed in a short time due to the hard work put in by the investigators, M/s. M.V. Narayana Moorthy, T. Venkiah, and Ravi Mediratta.

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A SURVEY ON THE EXPERIENCE OF CITIZENS IN GETTING WATER CONNECTION

WHAT IS THE PROBLEM

A vague sense of dissatisfaction regarding the efficiency of the administration seems to exist among the citizens. It is not easy to pin down the causes for this feeling. Unless there is a clear idea as to why such feelings prevail, nothing positive can be done to remove them.

The Ministry of Home Affairs is concerned with this type of attitude among the public and is keenly desirous of removing or reducing such an attitude towards the administration.

Concrete action can be taken in this direction only when there are definite facts to go on. Consequently, suggestions made to undertake studies which would throw light on the matter. The present study regarding the experience of Delhi citizens in getting the Water connections sanctioned from the Municipal Corporation, is an attempt in this direction.

Basic Questions:

The feeling indicated above seems to be a result of the image that the citizens have of the administration. Among the more important factors in this image are 1) that the administration takes too long to make any decision 2) that the delay is unnecessary and can be reduced 3) that this is remedied when the officials are gratified by some speed money.

The present study is an attempt to test the validity of these images. More specifically the questions for which answers

were being sought are as follows:-

- 1) What is the time lag between the application for water connection and the actual sanction?
- 2) What are the procedures for getting Water Connection and to what extent are the citizens aware of them?
- 3) What are the points of contact between applicant and administration?
- 4) What is the role of middle-men (plumbers) in getting the sanction for Water Connection?
- 5) What are the experiences of the citizens regarding illegal gratification or corruption in the department?
- 6) What are the attitudes of citizens regarding corruption in general?

WHAT IS CORRUPTION

Two of the questions above refer to "Corruption", hence it is deemed necessary to dwell on "What is Corruption". It is not an easy phenomenon to define.

There seems to be a general feeling among the citizens that the administrative machinery does not move unless it is gratified by some pecuniary or other material advantage directly or indirectly or subjected to pressures from without.

The Santhanam Committee report states "The problem of Corruption is complex, having roots and ramifications in society as a whole. In its widest connotation, corruption includes improper or selfish exercise of power and influence attached to public office or to the special position one occupies in public life".

Corruption seems to have existed in one form or the other throughout the ages and throughout all the countries. "Governmental Corruption or impropriety is found in all forms of bureaucracy and all periods of political development". There are many explanations which are given to explain away corruption in various societies. Often simple cures have been suggested. The suggestions of simple cure have been based more or less on the idea of a single causation. Moreover these suggestions are rather vague and based on imagination rather than on factual knowledge. Hence there is need for a comprehensive study regarding the extent and mode of corruption.

Many explanations have been given as to the causes of corruption. The Santhanam Committee lists among others, 1) rapid expansion of governmental activities involving heavy expenditure which afforded to the unscrupulous officials opportunities for acquiring wealth by dubious methods; 2) The multiplication of administrative processes; 3) Cumbersome and dilatory procedures and practices in the working of the Government machinery. The Committee further suggests that unwillingness to deal drastically with inefficient and corrupt officials and secondly the protection given to them are other factors.

DESIGN OF THE STUDY

The Municipal Corporation of Delhi is divided into ten zones which are more or less autonomous for purposes of granting the water connection. On the average each zone is said to grant permission to four or five applicants per day. It was not considered possible nor necessary to cover a long period of time nor a very large number of applicants. According to the

procedures laid down (described a little later) an applicant should be able to get his water connection within a period of 8 days. According to the office records, 70=85% are sanctioned within a period of 8 days.

The Area and the Sample:

Three zones which tended to represent varied income groups were selected for conducting the study. Within the zone also only certain areas were selected on the same basis. Hence there was an element of purposiveness in the selection of zones and areas. This was done to know whether people with different income have different experiences. The zones and areas chosen are as follows:-

| | <u>Zone</u> | <u>Area</u> |
|----|-------------|---|
| 1) | City North | Chandni Chowk, Dariba, Kashmiri Gate |
| 2) | Karol Bagh | Dev Nagar, Regarpura, East Patel Nagar. |
| 3) | New Delhi | Jangpura & Amar Colony |

The period chosen was from May 1963 to December, 1963. It was considered that this was a long enough period to provide us with sufficient number of applicants and also cover all the seasons. Another reason for choosing this period was that there was an attempt to speed up the process of sanctioning the Water Connections - sometime in October, 1963. Hence it was considered that this period would provide comparative data before and after the decision to give water connection as quickly as possible.

All the persons who had applied for water connections during this period in the areas selected formed the universe. As there were a little over 150 applicants during this period it was considered best to treat all the applicants as the sample.

- : o : -

Out of the 154, due to various reasons (absentee homeowners, addresses not known or incorrect addresses, out of station, ^{were} available, deaths, etc.) 112 respondents ~~were~~ interviewed - they represented more than three fourths of the selected sample.

The Characteristics of the Sample:

The assumptions regarding the varied classes of people was validated as there was variation in age, income, education and occupation among the sample.

The age range was from 20 years to over 60 years. A detailed breakdown is as follows:-

| | <u>Percentage</u> |
|-------------|-------------------|
| 20-30 years | 13.5 |
| 31-40 " | 24 |
| 41-50 " | 28 |
| 51-60 " | 22 |
| 61 and over | 12.5 |
| | <u>100</u> |

The occupations in which the respondents were engaged were very varied. These included among others, Business, Government Services, Clerical, Housewives Landlords etc., fifteen the respondents said that they did not have any occupation.

Seventeen percent of the respondents said they had no income; This might be explained by the fact that while the ownership was in the respondents' name, the income from the house may be accruing to their sons or husbands or the owners themselves might be living in the house. Among the others twenty nine percent had an income of less than Rs.200; thirty five between Rs.201-400; and the remaining eighteen over Rs.400. Only one refused to indicate the income group to which he belonged.

Educational spread among the respondents was as follows:- Illiterate 14%; Primary 28%; Middle -21%; above H. Secondary

As was expected the majority of the respondents belonged to the Hindu Religion while Sikhs were 15 and Muslims 2. Among the Hindus, almost all the castes were represented. The data was analysed according to these various characteristics of the sample (in age, income education etc.) No significant relationship was found between these variables and the general findings for the sample as a whole.

Plumbers:- The age range among the plumbers was also from 20 years to over 60 years. A detailed breakdown is as follows:-

| | Percentage |
|--------------|------------|
| 20-30 years | 20 |
| 31-40 " | 20 |
| 41-50 " | 20 |
| 51-60 " | 16 |
| 61 and above | 14 |
| | <hr/> 100 |

Fourteen percent of the plumbers had an income of less than Rs.200. Forty six percent between Rs.201-400 and four percent had an income between Rs.401-600. One plumber had an income of more than Rs.1000. One plumber refused to indicate the income group to which he belonged.

The educational spread among the plumbers was as follows Primary - 14%; Middle - 46%; Higher Secondary - 20%; College - Graduate - 14%.

The majority of the plumbers belong to the Hindu religion while Sikhs were two and Muslims two.

METHODOLOGY OR HOW THE INFORMATION WAS COLLECTED

The respondents were interviewed on the basis of a prepared questionnaire. The questionnaire was designed to elicit information regarding their knowledge of the procedures,

expenditure and attitude towards administration. An attempt was also made to get their suggestions on how to expedite the sanction of water connections.

As more and more respondents were interviewed it became apparent that most of the respondents had no clear knowledge regarding the procedures in getting the water connection. They tended to depend on the plumbers to get the connection. This fact made it necessary to interview plumbers in these areas. Among the twenty licensed plumbers in the area fifteen were interviewed on the basis of a questionnaire which was not too different from the questionnaire which was administered to the people who were sanctioned their connections.

The interviewers were able to interview between 2 to 5 people per day. Although the questionnaire by itself did not take more than half an hour, the respondents were on the whole responsive and kept talking about their experience, some of which were related to their attitude towards administration in general rather than to the problem under study. The good response was probably due to the fact that there was a great deal of talk on corruption at the time of the study and the expectation that the study will lead to some action on the prevention of corruption and may be, speeding up the administrative process.

HOW TO GET WATER CONNECTIONS
(The Official Version)*

Before the data as such is analysed it may be useful to indicate the procedures for getting water connection. According to the rules and regulations laid down by the Municipal

* From the D.M.C. Hand Book on Property Taxes.

Corporation of Delhi, the following procedure is to be followed.

The office of the Zonal Engineer (Water) deals with the applications for new water connection, reopening of old connection and temporary connection for festival or for construction work. Applications for new water connections are required to be submitted in duplicate on prescribed forms alongwith sketch of site plan duly attested by a licensed municipal plumber. If the applicant is an owner he should submit the receipt for last payment of the property taxes. In case of tenants an attested copy for the last payment of rent and a "No Objection Certificate from the owner are necessary.

The Act* has authorised the Commissioner to require the owner or the person primarily liable to pay the property taxes to take a water connection if it appears to him that the premises is without supply of wholesome water for domestic purposes or the existing supply is inadequate for the occupants.

In case of a newly constructed building the owner should submit the completion certificate or give the undertaking that he has applied for it and will submit it within six months' period. He should also give an undertaking that he will connect the house drains with the municipal sewer. Where the connection is required for non-domestic purposes, the license of the trade for which the water supply is required should be submitted alongwith the estimate of the daily consumption and the method of the waste disposal.

When the connection is required temporarily for the construction of building or for some festivals, sanctioned plan and the period for which the supply will be required should be

submitted.

In order to avoid unnecessary correspondence and delay the applicants are advised to complete the forms in every respect

Ordinarily the intimation of the sanctioning of the new connections is sent to the applicant within a fortnight/which he is required to make the payments in respect of) meter security, connection fees etc. within a prescribed period. Where the municipal meter is provided, the amount of security is Rs.100/- but in case of a tenant an additional security of Rs.30/- is charged.

After making these payments road cutting charges are deposited in the Engineering Department and the permission for boring is accorded by the Water Supply Undertaking. The work has got to be completed through a municipal licensed plumber and according to the municipal bye-laws, rules and regulations after which the supply is connected with monthly bills are issued to the consumer by the Water Supply and Sewage Disposal Committee.

The cases of reopening of an old connection are dealt with by the Assessor & Collector's Department but if the period during which the connection had remained out off is more than one month, the case will be sent to the Zonal Engineer (Water), for site verification.

If the consumer feels that the meter is defective he can get his meter checked on payment of Rs.5/- as testing charges in the office of the Zonal Engineer (Water).

DATA ANALYSIS

The Data can be analysed under three categories: factual information, knowledge of the respondents and their opinions.

What are the Facts:-

Almost all the applicants had applied for domestic water connection. Among the 112 applicants there were no rejections.

The time taken for giving the sanction varied from 8 days to more than a month.

TABLE I

Percentage Distribution of the Public & Plumbers by the time taken for getting sanction for water connections.

| | Percentage | Percentage |
|-------------------|------------|------------|
| Within a week | 12 | 33 |
| 10 days | - | 7 |
| fortnight | 27 | 47 |
| 20 days | 4 | - |
| Month | 23 | 13 |
| More than a month | 29 | - |
| Don't know | 5 | - |
| | 100 | 100 |
| Number | 112 | 15 |

Although the Municipal authorities said that 70 to 85% of applicants were given connection within 8 days. 52% of the respondents said that it took more than a month to get water connection. Only 12% of the population said they got the connection within a week. Another 27% said that it took 15 days.

Among the plumbers one-third said they got the connection within a week or sometimes less than week whereas another 54% said that they got it within a fortnight. The remaining 13% said that it took them about a month. Neither the public nor the plumbers indicated that there were any rejections. There was variation between less than a day and about three months in getting the water connections, but the average time was two to three weeks. In an extreme case, one of the respondents said

that he got the connection almost before submitting the application. In cases of extra early sanctions (of which there were very few) the applicants tended to belong to the administrative set up of the corporation.

When the respondents were questioned as to whether they were given any explanation, when connection was not given within 16 days, only three persons said that they were given an explanation. In one cases, the applicant was told that the plumber would handle the case and in another case the ownership of house was doubtful. In almost all the cases where the sanction had not been given within a fortnight no explanation was given.

To the question as to whether they had done anything when the sanction was not given within the usual period of 8 days - out of 93 cases only 6 had attempted to do something, some paid repeated visits to the office, others went to the ward council. In one case one of the applicants, when he went to the office was told not to complain. One person indicated that he paid cash to the chaprasi, the clerks and the supervisor. The total amount spent by him being Rs.25/-. Another two said that they had paid amounts ranging from Rs.5/- to Rs.25/- to expedite sanction on the application.

One third of the plumbers said that they paid amounts ranging from Rs.7 to Rs.20/-. One of the plumbers said that he spends money for entertaining the clerical staff with tea and snacks and thus maintaining friendly relations to get his work done.

Do People Know:-

Ninety percent of the public made their applications through the plumbers for getting the Water connection. One of the reasons for this is that they have to get a certificate

from a licensed plumber that internal fittings have been completed. Some of the respondents indicated that they did not want to be bothered with the procedures for getting the water connection as they feel that it would take too much time to do so. Some indicated that they will have unnecessarily to make use of their casual leave to pursue the application. Only 7% had made applications by themselves.

The fact that most of them submitted their applications through the plumber might explain as to why 83% of the applicants did not know what the procedures were for getting the connection. Only 17% said that they knew the procedures involved.

As is evident from the description of the procedure given earlier there are many preconditions which have to be fulfilled before making the application for the water connection. Forty percent of the public knew about the pre-conditions whereas 60% were ignorant of them. All the plumbers knew the preconditions and could specify them.

It is generally assumed that corruption is more prevalent at the "cutting edge" level i.e. at the lower levels of officialdom, at which people come into contact for getting their things done. Some of the questions were designed to elicit information regarding this aspect. To the question as to who are the people whom you have to meet to get the water connection about 75% said they did not know: 15% said that they did not meet anybody. This is probably because very few of the respondents did the work on their own. Among the few who had got the work done by themselves, the majority of them had met the overseer, a couple the diary clerk. When the

same question was posed to the plumbers, 40% said that they had to meet the diary clerk, 13% the overseer; 20% Assistant Engineer and another 20% Enquiry clerk. From an official point of view, the only person an applicant has to meet is the diary clerk to whom the application is submitted. The overseer also may be met at the time of the inspection of the site.

IS THERE CORRUPTION:

It has been already indicated that only 7% of the respondents had directly submitted their applications. Nevertheless the question "Did you have to give anything to anybody in the office" was posed to all respondents.

Among those who had applied directly, almost all of them said that they had paid in cash, in three cases at the clerical level and in one case at the supervisory level. In two cases, the applicants were unable to indicate the level, although they said that they had paid cash. Two of the respondents said they had not paid anything.

All those who had applied through the plumber, replied in the negative to the above question.

When the same question was posed to the plumbers, 87% said that they had to give some amount, whereas one plumber said that he did not have to give and another refused to answer the question.

Nearly 50% of them said they had to pay at the clerical level and in another 20% of the cases some amount was paid at the Supervisory level and in another 20% of the cases they said they had paid at all levels. The amount ranged from Rs. 7 to Rs. 20.

as

When the public was asked to whether the plumber had suggested the need to pay something, in about 30% of the cases they answered in the affirmative.

It is often suggested that knowing somebody in the office concerned or a political leader in the area can expedite matters. Only about 15% of the sample knew somebody or the other in the Corporation office but in only 5% of the cases help was taken. Among the Plumbers, in 3 cases where they knew somebody in the Corporation office they did not take any help, whereas in one case help was taken.

About 30% of the sample knew the Municipal Councillor from their wards. Here also in only 5% of the cases their help was sought in getting water connection. Three of the respondents said they did not want to take any help, whereas in the case of another three help was refused, by the councillors. On the whole not much confidence was expressed in the councillors and the feeling that they were interested only in getting the votes rather than serving the people seemed to pervade among the respondents. Among the

plumbers a third of them knew the Councillors but no help was taken.

WHAT DO PEOPLE THINK

a) About 60% of the sample felt that the time taken for giving the water connection was reasonable whereas 35% said that it was too long. When asked as to what they considered to be the reasonable time, the following responses were elicited.

| | Percentage |
|------------------|------------|
| Less than a week | 7% |
| 1 week | 25 |
| 10 days | 16 |
| 15 days | 30 |
| 1 month | 8 |
| Don't know | <u>4</u> |
| | 100 |

Among the plumbers 40% said that the time taken was reasonable where 60% said that the time taken was too long. All except one among them felt that one week was the reasonable time whereas one suggested that 10 days was reasonable for sanctioning the water connections.

It has already been indicated that only small percentage of the public knew the procedures for getting the Water Connection. Of these about a third felt that procedure was complicated, about 50% that it was satisfactory whereas a small minority (15%) felt that it was simple.

Among the plumbers, more than half felt that it was half complicated and about one fifth felt that it was simple. One-fifth of them said that the procedure was satisfactory.

Among the public more than 6% of the public who knew the procedure said that this could be simplified and specified as to how this could be done, whereas the remaining said that this could be simplified but did not know how. Among the plumbers a third felt that the procedures cannot be simplified, the remaining 66% said that it could be simplified but only one fourth specified how this could be done.

The suggestions made were 1) complete overhauling of the department, 2) eliminating delay and inefficiency 3) elimination of the plumber from the transaction enabling the people to have a direct approach with the authorities, 4) sanction should be given immediately when the completion certificate and House Tax Receipt are produced, 5) there should be an immediate inspection after the submission of application 6) the overseer report should be eliminated. The plumbers felt that delay occurred in getting the House Tax Certificate. They also favoured immediate inspection of site after the submission of applications.

Among the respondents who know the preconditions 40% of them said that the preconditions could be removed or modified whereas another 40% said that nothing should be done as the existing preconditions are necessary and satisfactory.

Twenty percent of them did not express my opinion.

Among the plumbers nearly half of them said that the preconditions were satisfactory and nothing can be done whereas others said that they could be removed or modified. The suggestions made in this connection were as follows:-

- i) Elimination of House Tax Receipt and Completion certificates for getting water connection.

They also felt that if within 6 months the House tax Receipt is not produced, the Water connection can be discontinued.

- ii) Tenants felt that there was no need for getting a 'No Objection Certificate' from the owner before getting water connection.

WHAT THE PEOPLE PAID?

It has already been pointed out that the public by and large are unaware of the procedures for getting the sanction for water connection. When questioned as to what charges the/~~or~~ they had to pay to the Municipal Corporation for getting the water connection, there were varied responses. More than half the respondents did not know what the charges were. (Obviously they went by whatever the plumber told them). The actual charges is only Rs. 1/- for giving the connection and there is deposit of Rs. 10/- to be made which is adjusted to the water consumption charges.

-: 18 :-

From the point of view except for about 15% of the population, all of them estimated the charges higher than what they are.

Among the plumbers, a third of them said that it was less than Rs. 15/- while 40% said it was between Rs. 26-50. One plumber said that the charges were indicated as between Rs. 100-200. It was possible that the question was misunderstood by both the public and the plumbers. They may have indicated the total expenses they incurred which might have included ~~fixed~~ internal fittings, layings of the pipe from the main line to the residence etc.

Table 2.

Percentage distribution of the Public & Plumbers according to their opinion on the charges for getting water connection

| | <u>Public</u> | <u>Plumbers</u> |
|---------------|---------------|-----------------|
| less than 15 | 15 | 33 |
| 15-25 | 9 | - |
| 26-50 | 5 | 40 |
| 51-100 | 16 | - |
| 101-200 | 2 | 20 |
| D.K. & forget | <u>57</u> | <u>7</u> |
| | 100 | 100 |
| Number | 112 | 15. |

-: 19 :-

Table 3.

Percentage Distribution of Public and Plumbers according what they actually spent or charged in getting water connection

| | Public | Plumbers. |
|--------------------|-------------------|-----------|
| less than 15 | - | - |
| 15-25 | 4 | - |
| 26-50 | 11 | 78 |
| 51-100 | 25 | - |
| 101-200 | 29 | 20 |
| 200 + | 17 | - |
| D.K. | 14 | - |
| Amount unspecified | <u> </u> | <u>7</u> |
| | 100 | 100 |
| Number | 112 | 15 |

Table 3 shows how much actually was spent by the consumers and what the plumbers said how much they actually charged. More than 70% of the consumers had paid more than Rs. 50/- Almost a third paid more than a hundred rupees. In one extreme cases a person said that he paid as much as Rs. 400.

Among the plumbers about 75% said that they charged between Rs. 26-50 while another 20% said that they charged between Rs. 100-200. There is a clear discrepancy, ~~xx is clear discrepancy~~, as is clear from table, between what the public say that they have paid and what the plumbers said they have charged. When a certain amount of probing

was done the plumbers said that they charge about Rs. 20/- as miscellaneous expenses which they said was used for gratifying any extra demands by the officials.

It may be of interest to note that in about the third of the cases the plumber had suggested to the respondents the need for paying the officials and the amount suggested varied from Rs. 5 to 20/- In other cases it is possible that the plumber simply charged the amount under the heading miscellaneous and did not specifically indicate that the amount was for giving to the officials. None of the sample knew as to whether the amount so mentioned by the plumber was actually paid by him to the officials. In 20% of the cases public said that this extra gratification might have helped whereas the other 80% said that they did not know whether it helped or not. The plumbers on the other hand felt that nothing moved unless ~~some~~ ^{some} direct or indirect gratification was made available to the officials. Some respondents put it humorously referring to the officialdom, "Money makes the Mayor go".

WHO ARE CORRUPT

The respondents were asked as to whether corruption was due to plumber or officials. Twelve Percent said the plumbers were responsible, while 16% assigned the blame to

to officials. In 30% of the cases they said it was due to both. The remaining respondents "did not know" which might also mean that they considered both were responsible.

The question "How many municipal officials in the Water Department are corrupt", gave the following distribution:

Table 4.

Percentage Distribution of Public & Plumber according to how many officials in the Water Department are Corrupt

| | Public | Plumber |
|----------------------|-----------|----------|
| All of them | 13 | 66 |
| Majority of them | 5 | - |
| About half | 2 | - |
| A few | 13 | 20 |
| None | 10 | 7 |
| D.K. & No experience | <u>57</u> | <u>7</u> |
| | 100 | 100 |
| Number | 112 | 15 |

More than half of the respondents said that they had no experience of any contact with water department officials. Among the others only 10% felt that none of the officials are corrupt; whereas 20% felt that majority of the officials are corrupt.

Two thirds of the plumbers considered all officials corrupt and another 20% said that a few were corrupt.

-: 22 :-

Only in one case a plumber said that none of the officials are corrupt. In this case it so happened that a Municipal official was present when the interviewing was conducted.

The plumbers are probably in a better position, as they actually come in contact with the officials concerned, to indicate the prevalence of corruption. Further they seem that to influence the image of the public by indicating/they have to gratify the officials to get things done.

REACTIONS TO SUGGESTIONS

Some suggestions were made and the respondents and the plumbers were asked to indicate whether persual of these suggestions would make getting water connections easier and quicker. (Refer to Table 5)

Table 5.

Percentage Distribution of public & Plumbers according to their views regarding the suggestions made.

| | Public | | | Plumber | | |
|--|--------|----|------|---------|----|------|
| | Yes | No | D.K. | Yes | No | D.K. |
| 1. Apply directly to higher authorities | 54 | 15 | 31 | 27 | 60 | 13 |
| 2. Eliminate Plumbers certificate | 31 | 27 | 42 | - | - | - |
| 3. More authority to zonal officials | 45 | 20 | 35 | 40 | 53 | 7 |
| 4. A Central office to handle applications | 56 | 8 | 36 | 40 | 47 | 13 |

Number

It is of interest to note that about a third of the public sample did not express any opinions on these suggestions. Further there seems to be a different point of view among the public sample as compared to the plumbers. While about 55% of the Public sample feel that applying directly to higher authority would quicken the procedure, 60% of the Plumbers feel that this would not be so. More than half of the plumbers feel that ~~xx~~ giving more authority to zonal officials, would not speed up the process whereas only 20% of the sample hold this view. The feeling among the Plumbers seems to be that as the zonal officials already have sufficient powers and any increase in the powers might only mean greater corruption at zonal level. The idea of a central office which would deal with the applications for water connection seems to be appealing to more than half of the public respondents whereas among the plumbers there is no clear point of view. About an equal number approved as well as disapproved the suggestions. Thirty six percent/public did not give any opinion. One gathered during the conversations the feeling that opinion among them was that as corrupt practices prevail in the departments of the Municipality, having a central office would not particularly improve matters. In this connection it may be of interest to note that those who approved of Central Office suggested, this

might be directly under Delhi Administration rather than under the Corporation.

The public were asked whether eliminating the plumbers certificate would be of help. Thirtyone percent agreed, 27% disagreed and 42% gave no opinion. This indicates an ambivalent attitude of the public towards the plumbers. While they like to reduce his role to the minimum, there is also a feeling that they cannot get along without him. The public felt that it would take far too much of their time to pursue the matter by themselves. Hence they would rather pay something extra if need be and let an agent handle the matter for them. This view among the people that it takes too much time for themselves to get things done in the office is of serious consequences, It would mean that the distance between Public &/Administrator is great and also the Public forms the image of the Administration on the basis of what the middlemen tell them. There is need for more direct contact between the Administrator and the citizen.

THE EXTENT AND CAUSES OF CORRUPTION

The present study, while directly concerned with Water Department and its functioning, included a few questions to get at the general attitude regarding their overall impression regarding corruption.

A little more than a third of the respondents seem to think that majority of the Municipal officials are corrupt. Fifteen percent of them said that all of them are corrupt while another 23% said a majority of them are corrupt. Only 2% said that none of them are corrupt. Thirty-eight percent said they did not know or had no experience. More than half the plumbers said that all the officials are corrupt; another 20% said more than half are corrupt. It is of interest to note that 20% of the Plumbers said that none of the officials are corrupt. All in all more than half the Public and about three fourth of the plumbers consider that more than half the officials are corrupt. Analysing the data further, it would seem that almost 95% of the people who have had any experience with the Municipal Corporation indicate that there is corruption in the Corporation while there is difference of opinion regarding the extent of corruption. This perception and experience among the public should be a matter of great concern.

Table 6

Percentage distribution of Public & Plumbers according to their opinions on how many Municipal Officials are Corrupt.

| | Public | Plumbers |
|-----------------------|--------|----------|
| All of them | 15 | 53.3 |
| Majority | 23 | - |
| About half | 12 | 6.7 |
| A few | 9 | 13.3 |
| None | 2 | - |
| D.K. & No. experience | 39 | 20 |
| Refusal | - | 7 |
| | 100 | 100 |

The Public assigned the following reasons for the existence of corruption. The reasons are listed according to the number of times they were mentioned:

| | % |
|--|-----|
| Low salaries | 21 |
| Nature, Habit & Character | 19 |
| Others (Luxury, compulsion, National character) | 17 |
| Cost of living high | 11 |
| Don't know | 32 |
| | 100 |

Among the plumbers the order was slightly different and as follows: Category 3 as above (33%) Nature and habit (27%) Low salaries and Dont know (27%) -

About a third of the public seem to feel that corruption is due to inadequacy of remuneration of officials whereas only 13% among the plumbers thought so. A considerable proportion of the public (about 33%) seem to think that corruption is due to lack of character among officials.

They consider it a part of their second nature to take bribes. It may be pointed out here that their general conception of corruption is confined to people accepting bribes in the form of cash either for doing some thing illegal or just for speeding up of a process, mostly the latter.

The respondents, as the data indicates, seem to feel that there is a great deal of corruption. However, the situation is not without hope. Fifty three percent of the people feel that corruption can be eliminated while 17% that

it can be reduced, 3% said that nothing can be done. Others expressed no opinion. Nearly half of the plumbers said that corruption can only be reduced while 40% feel that it can be eliminated, the remaining that nothing can be done.

Three statements were made and the respondents were asked to express their agreement or disagreement. This was a further attempt to get at the perception of the public towards corruption in general. The first statement was 'There will always be corruption in our society'. This statement was made as it has been suggested by some that the bureaucracy only reflects the society in which operates and hence its morale's would be no better or no worse than the morals of the total society. The idea was that if majority of the people accepted this view they would tend to be complacement and tolerate corruption. Under these circumstances it will become more difficult to deal with corruption. More than a third of the people (37%) agreed with this statement while 20% did not express any opinion. The remaining 42% disagreed with that. This situation is a matter of concern as considerable percentage of the people feel that there will always be corruption in society. An attitude of this nature is not conducive for attempting any reformation of the administration. It is also possible

that while people are interested in doing something about eliminating or reducing corruption, there is a ~~sense~~ ^{sense} of helplessness as the ramifications of corruption are so wide that one does not know where to begin to tackle it. This sense of helplessness might have made them agree to this statement. This could be a demoralising factor in any attempts at reformation. However, one has to remember that 43% disagreed with the view. There is a substantial percentage of people who are more hopeful and their optimism might be of value in any of the attempts to remove corruption.

Among the plumbers, 60% disagreed with the statement and 40% agreed.

To prove this attitude further another statement was made, "people are more responsible for corruption than officials". It has been suggested that people are anxious to get things done either out of turn or get some things done which are not altogether lawful. Hence they are willing to pay the price.

Table 7.

Percentage distribution of Public & Plumbers according to their relation to the Statement "People are more responsible for corruption than officials".

| | Public | Plumber |
|----------|--------|---------|
| Agree | 20 | 26 |
| Disagree | 44 | 60 |
| Both | 17 | 7 |
| D.K. | 19 | 7 |
| | 100 | 100 |

Only 20% of the public and 26% of the Plumbers agreed with the statement. About 45% among the Public and 60% of the Plumbers disagreed. This would suggest that the majority consider officials more responsible for corruption than the people. Seventeen percent among the Public considered both of them responsible.

In informal discussion with the officials, they felt that it is the people who tempt the officials and since most them are also human, some of them yield to the temptation. One of them put it "for every bribe taker, there is a bribe giver".

It is generally held that the officials at the lower level are more vulnerable to corruption than the officials at the higher level. The study provides some evidence in this direction. About 45% among the public and a third of the plumbers agreed with the statement "the salary of the Municipal Officials is low - so they have to take bribes". A third among the public and 60% among the Plumbers did not agree. This opinion was based more on their imagination of what they considered the salaries were.

WHAT THEY SAID

It is always not possible to elicit information regarding all aspects in a structured questionnaire. Often the informal discussions are revealing of some of the feelin

The Officials

The problem of corruption was discussed with officials of the Corporation in an informal way. At the higher levels there seems to be an awareness of the existence of corruption among the officials. There seems to be a genuine desire to do what they can to reduce this to the minimum. With this point of view they are attempting to shorten the procedures and to give the sanctions as early as possible. The present position is to ensure that an answer is given to the applicant within eight days. Their own records indicate that about 70 to 85% of the applications are sanctioned within eight days. This however was not borne out by the evidence given by the public. When this was brought to the notice of the officials they said that their sanctioning the application was dependent on the completion of the application and in fulfilling all the pre-conditions. Often the first applications tended to be incomplete. This might explain the discrepancy. The officials also feel that the perception of corruption among the Public is far too exaggerated. Their own view is that while there is corruption, it is limited in its extent. They further suggested that the plumber is the greater villain of the piece rather than the officials themselves.

The data validates this view to some extent. As it was found the plumbers did charge some amount or the other from the public. The plumbers admitted that they paid between Rs. 5 and Rs. 8 and in few cases upto Rs. 20. Their own charges to the clients was much more. The clients were not able to indicate whether the amounts so charged was actually paid to the officials or kept by themselves.

In our discussions both with the officials and the Public sample, we discerned a feeling of concern of the role played by some of the Councillors. Often the Councillors wanted things done which were not proper procedurally or legally. At other times they seem to want to prevent things being done for clients who are not their supporters and more particularly if the client was a supporter of a rival councillor. However we have no factual evidence to prove or deny such a feeling.

The Plumbers

It is evident from the study that the plumbers are the people who are directly in contact with the officials. In informal discussions with them, mention was made about the difference between the actual charges of the Municipal Corporation and their own charges from the clients. They said, that they had to pay some amount at different levels to keep the files moving. Further they had to spend a

large amount on conveyance in making frequent trips to the Corporation office to get the sanctions. All these expenses were included in their charges to the clients. An interesting point ... made by the plumbers was that the licensed Plumbers (who were the only ones interviewed) said that the unlicensed plumber is more responsible for corruption than the Licensed ones. It is their view that there is connivance between the officials and the unlicensed plumber. On the other hand the officials are to some extent aware of the operation of the unlicensed plumber, but as long as an application has the seal of a licensed plumber they have no valid reason to reject the application. It is suggested that the licensed plumbers allow the unlicensed plumbers to borrow their seals at a price. It is probably being done as, providing water connections is not particularly lucrative and profitable both from the view point of cash income and the work involved. The plumbers are able to make easy money by just lending their seal to the unlicensed plumber. The rate is said to vary between Rs. 5 to Rs. 10 per each lending of the seal. In an extreme case there was an instance of one unauthorised plumber detected after getting more than 200 connections. He is said to be under investigation. They also indicated that there is a great deal of malpractices in testing the water meters.

The Public:

The general attitude among the public is to avoid going to the Corporation to the extent possible. There prevails among the public a considerable degree of feeling that there is deliberate delay, harassment, and discourtesy in many departments of the Corporation. As the sample consisted of people who had some contact with Corporation this feeling was entertained more as a result of experience than hearsay. The tendency among the public was to avoid coming into direct contact with the officials and to prefer a getting things done through middlemen or agent even if it costs extra money. The viewpoint of the officials is that the public wants get things done expeditiously or out of turn and even without completing all the formalities. The officials however ignore the fact that public are not fully informed of all these formalities at one stage but different officials say different things at different stages. Sometimes the public were duped by the agents also as they themselves were not fully aware of the rules and regulations.

The evidence and the feelings show that Corruption cannot be studied in isolation of any particular section or department. It cannot also be assumed that the integrity of the officials by itself (though it might go a long way in removing corruption), will ensure the eradication of

corruption as long as the administrative processes remain complicated and cumbersome, and the citizens are not fully informed of them. Moreover the overall perception of citizens seems to be that corruption is an aspect of total society and the administration is only a part of it. Within this context they accept the role of agents who seem to capitalise on this feeling and create a further gulf between the public and the officials. The ramifications and implications of corruption are wide and as such it has to be viewed in a larger context. While particular branches might be studied and modifications introduced for immediate relief for an ultimate improvement in the situation, the cures have to be applied to root out the causes after proper identification and diagnosis.

GENERAL FINDINGS OF THE STUDY:

- 1) By and large all the applicants received sanction or for getting water connection. In a few cases it varied from a couple of days to more than 3 months. The average time taken was about a fortnight.
- 2) The majority of the public are unaware of the procedures and the preconditions for getting the Water connection.
- 3) The public avoid going to the Corporation themselves and prefer to get things done through middlemen.

- 4) Both among the public and the plumbers the feeling is that unless speed money is paid the files do not gather momentum. The amount paid varied from about Rs.5 to Rs.20. There seems to be a discrepancy between what the citizens paid to the plumbers and what the plumbers paid to the officials.
- 5) Neither the plumbers nor the public even when acquainted with their ward councillors or Corporation officials had approached them for help.
- 6) There is an ambivalent feeling regarding giving more authority to zonal offices and a slightly more favourable attitude to having a Central Office to deal with applications.
- 7) Corruption seems to be more prevalent at cutting edge level both in the office and in the field.
- 8) The views of the public were not categorical with regard to the possibility of elimination of the role of middlemen.
- 9) About 60% of the people hold the view that corruption prevails in several of ^{the} offices of the Municipal Corporation although there is variation regarding the extent.
- 10) Corruption exists not only because of officials and middlemen but because of the presence of unscrupulous elements such as unlicensed plumbers who take

advantage of the situation, and the practice of licensed plumbers lending their seal to make easy money.

- 11) The public feel that between 10 to 15 days is the reasonable time for getting the Water Connection and that procedures and preconditions can be modified to simplify the process. The plumbers feel that a week is reasonable time and not much can be done with the procedures and preconditions.

SUGGESTIONS .

- 1) One of the most important things that needs to be done is to develop greater communication between the administration and the public with regard to administrative procedures in the water connection department of the Municipal Corporation, as very few people knew about the procedures for getting the water connections.
- 2) The procedures may be printed and attached to the application form itself, which is given to the applicant,
 - a) the language used should be simple rather than the official type, the meaning of which not many of the public are able to follow;
 - b) more publicity in the press through press releases, articles, may be followed;

- c) preparation of handbills which can be given on to anyone who enquires for the information. The information should clearly indicate which office to approach, the designation of the person who should be approached and also when to approach. The information may indicate the step at which delays are likely to occur so that the citizens can try to expedite the matters at those particular places;
- d) the court fee stamp has to be affixed to the application. Stamp papers, at present, are not available at the zonal office of the Corporation office. This may be made available by the Corporation at the zonal offices, which will further reduce delay;
- e) the applicants themselves should try to follow up the applications by going to the Municipal Office directly.

2) At present the Corporation itself gets the clearance regarding the House Tax Receipt. A great deal of delay occurs in this office. Two ways in which the time taken may be reduced in this office, are:

- a) some sort of a liaison officer may be appointed to expedite the matter at the assessor's office, and
- b) the applicant himself might be allowed to produce the certificate or a copy of the house tax receipt of the current year may be accepted for clearance.

3) To speed up the process, the applicant may be allowed to take for granted that the sanction has been made if he does not get a reply within a period of 10 days. It may however, be suggested that in this case the depositing of some security

may be necessary to prevent people from taking undue advantage of such a rule. (This process is being followed in the building departments;

4) In view of the fact no clear views were expressed as to whether the plumber can be eliminated the following alternatives may be considered,

- a) the Municipality employ their own plumbers for boring and connecting the tap to the water main. This might involve the employment of a large number of plumbers by the Municipal Corporations but if there are only limited plumbers, the delay is likely to increase,
- b) some sort of identification cards should be provided to the plumbers and publicity given regarding the type of identification the plumber needs to possess. Specimen signature may be maintained at the zonal offices and central office,
- c) the licensed plumber may be asked to give a list of their completed work. This might help in detecting the operations of the unlicensed plumber,
- d) the general public suffers from unauthorised connections resulting in financial loss to the corporation as well as the depletion of water supply. The possibility of imposing deterrent punishment to those who have unauthorised connections may be considered.

5) The possibility of maintaining a complaint register at the zonal and central offices may be considered.

6) The present staff is unable to cope with the volume of work. They have also complained about the physical discomforts and inadequacies which in turn affect their efficient functioning. The workload

of the functionaries and the physical conditions of the working places may be examined, with a view to bring about improvement in the same.

CONCLUSION

The ramifications of delays, corruption etc. in the administration are wide and varied. Suggestions for simple cures are usually based on the idea of single causation. The present study confirms the popular impression that the phenomena of corruption is wide spread and is caused by a number of factors among which may be included the complacent acceptance of its existence by the public. The Santhanam Committee refers to the need for "the creation of a Social climate both among public servants and in general public in which bribery and corruption may not flourish". The study at hand clearly shows the need for creating a social environment in which people feel that the society can rise above corruption.

In conclusion we would like to quote the view of Ralph Braibanti from his article on 'Reflections on Bureaucratic Corruption' which helps to see corruption in its proper perspective.

"Corruption in Government is a terribly complex phenomenon which must be attacked in a variety of ways some of

* Address given at a Conference on administration at the Academy for Village Development in Peshawar on 30th March, 1

which are long range and subtle and some of which are practical and can have immediate discernible effect.

There is no single cause of corruption, nor are there two or three sole causes. Every bureaucracy has had corruption and many bureaucracies have reduced it to negligible dimensions. A nation existing as a society grows in responsibility as it matures. With that growth common values are likely to be more widely diffused. If that mutual process is helped by vigorous legislative and administrative means and is given meaning by virtuous leadership, a nation can expect to experience a high degree of probity in bureaucracy. But it can never afford to relax its vigilance over power exercised by man over his fellow Man".

ORGANISATION CHART

Chief Engineer (Water)

Superintending Engi- Superintending Engineer Superintending Engineer
neer (Water) (Planning) (Drainage)

Executive Eng. I Executive Exective Engineer III (Rural Water Supply)
(Water) Eng. II

Z. Eng. Z. Engg. Z. Eng. Z.E. Z.E. Z.E. Z.E. Z.E. Z.E.
Karol Civil West City City Sadar & New Shahdara Rural
Bagh Lines Zone North South PaharGanj Delhi areas.

ZONAL OFFICE

Zonal Engineer

3 Section Officers One Upper Division Clerk

Fitters One Lower Division

Belders One Peon

Wiremen Non-Official

Mayor

86 Councillors

Chairman of Water and Sewage Disposal Committee

Deputy Chairman

2 Members.

-: 42 :-

How the applications is processed?

Submission of application in duplicate

Applications Diarised by the Diary Clerk

One application
is sent to the Assessors
Office for verification
of house ownership

The other is sent to the
section officer for
site verification

Both applications are to be re-
turned within 3 days to the
Zonal Engineer's office.

The Upper Division Clerk compiles both the reports
and submits the case to Zonal Engineer (Water)
for sanction.

FORM A.

MUNICIPAL CORPORATION OF DELHI

Application form for Water Connection

Dated.....196

To

The Commissioner,
Municipal Corporation of Delhi, Delhi.

Sir,

I, We.....hereby apply for a new water connection/addition or alteration in existing fittings for the following premises:-

Ward No.....Street.....

Locality or Mohalla.....

Block No.....House No.....

Existing Water connection No. (if any).....

Owned by.....

Owner's signature in token of consent.....

My/Our probable requirement of watergallons per day Water will be used for domestic/trade purposes. At present the above premises have.....(No. of taps)....(No. of flushes) &(No. of other fittings or appliances) & Now I/We want.....No. more of.....

I/We have engaged M/s..... Licensed Plumbers to do the plumbing work for me/us after your sanction is received.

I/We agree to pay such charges as Corporation may from time to time, be entitled to make and to the confirm to Delhi Municipal Corporation Act and all Bye-laws made thereunder.

I am,
Yours faithfully,
Applicant's Signature.....
Address.....

.....
Signature of Licensed Plumber
.....

* The form duly completed should be forwarded to the Assessor and Collector.

No entries are to be made in this page by the applicant

Report of the Office of Assessor & Collector

Water Connection Application No.....

Report re-ownership and due etc.

Date.....

Head Clerk/Supt.

Assistant Engineer (Water)'s Report & Recommendation

1. Purposes for which water connection is required Domestic/trade
2. Scarcity area/non-scarcity area.

3. Size of main Existing Proposed

4. Size of Ferrule

5. Size of service pipe

6. No. of taps

7. No. of closets

8. No. of other fittings and appliances

Other remarks

Date.....

Assistant Engineer (Water)

Order of the Chief Engineer (Water)

Date.....

Chief Engineer (Water)

Water connection No. Allotted.

Rs. have been credited to Municipal Fund on account of
vide receipt No. dated and the application is returned
to the Chief Engineer (Water) with advice that water may be
turned on.

Head Clerk/Supt.

Dated.....

Questionnaire for Water Connection

1. For what purposes did you apply for water connection?

Domestic Non-Domestic Others

2. When did you apply for the water connection?

3. Was it sanctioned or was it rejected or is it still pending?

4. If sanctioned within how many days?

8 days 15 days 30 days More than
(week) (fortnight) (Month) a month

5. If it took more than 15 days were you given any explanation?

Yes/No.

5a. What was the explanation?

5b. Did you feel the explanation was

Satisfactory

Not satisfactory

5c. Have you paid any money to get the sanction when it was not given to you within the usual period of 8 days?
Did you do anything?

Yes/No.

5d. If yes - What

6. Do you consider the time taken for giving the connection?

Too short Reasonable Too long.

For all

7. Did you make the application yourself or through an agent?

Self

Agent

If So

Plumber

Engineer,

Others

8. What is the procedure for getting the connection? or what is the method for getting the Water Connection?

1.

2.

3.

4.

5.

9. Do you think the procedure is

Complicated

Satisfactory

Simple

10. Do you think the procedure can be simplified? & How?

11. What are the preconditions for making the application?

12. Do you think that any of those preconditions can be removed or modified?

For Sanctioned Cases only

13. Who are the people whom you or your agent had to meet for getting water connection?

13a. Did you know anybody in the Corporation Office? Did you take his help - if so in what way?

13b. Do you know the Councillor from your ward? Did you take his help? If so in what way?

14. Did you have to give anything to anybody in the office to get the sanction?

Yes/No.

15. If so to who (Level)

Clerical

Supervisory

Administrative

16. If so what?

17. Did you do this yourself or was it through the agent?

Self

Through the agent

18. Did the agent suggest the need to give something?

Yes/No

If yes, Did he also suggest what to pay?

Yes/No.

18a. Do you know if the agent actually delivered the thing you gave to some one in the office?

Yes/No

18b. How did he pay?

19. Do you think it helped?

20. Do you think the corruption is due to Plumber or officials?

If Rejected

1. What reasons were given for not giving the connection?

2. Do you agree with the explanation given?

Yes/No.

3. If not -

Did you make a representation to higher authorities?

Yes/No.

If yes - what was the result?

If not - why not?

4. What are the procedures for getting water connection?

4a. Did you follow all of them?

5. Did you fulfil all the Preconditions? Yes/No

6. Do you feel that if you had bribed some one in the office, you would have got it?

Yes/No

Pending

1. How long has your application been pending?

2. Has any explanation been given about the delay?

3. If yes, do you agree with the explanation?

4. If not, what do you think are the reasons?

5. Did you follow all the procedures?

6. Have you fulfilled all the conditions?

7. Do you think that if you were to bribe some clerk/ Supervisor/Officer the application will be sanctioned?

8. Has anybody suggested it to you?

For All

20 Do you know if the overseer actually examined the site

Yes, he did

He did not

Don't know.

21. Now we will suggest some changes, would you please tell us that if the following changes are made, getting the sanction will be easier and quicker?

- a) Apply directly to higher authority. Yes/No
- b) Eliminate getting the Plumber's Certificates. Yes/No
- c) Give more authority to zonal officials? Yes/No.
- d) Have a Central Office to deal with applications?

22. What are the charges for getting water connection?

How much did you actually spend, the same or more?

23. How many Municipal Officials do you think are corrupt?

All of them

Majority of them

About half

A few

None

24. Why do you think they are corrupt?

25. Do you think it can be eliminated?

Eliminated

Reduced

Nothing can be done

26. What about the water department?

27. Now we place before you some statements you please tell us whether you agree to them or not?

- 1) There will always be corruption in our society.

ii) The salary of the Municipal Officialsis low -
so they have to take bribes?

A . D D.K.

iii) People are more responsible for corruption than.
the officials?

A D D.K.



SUGGESTIONS FOR REFORMS IN ADMINISTRATION

by

A. Avasthi

The Advisory Group on Administration decided to confine its attention to three problems of administration:-

1. The Citizen and Administration
2. Incentives in Public Service
3. Relationship between the Secretariat and its Executive Agencies

Given below are concrete action suggestions under each of these heads :

I Citizen and Administration

In any administrative system, particularly in a democracy, good relationship between the citizen and officials is of crucial importance. Unfortunately, to-day, the image each party has of the other is hardly conducive to good relationship.

The difficulties from the point of view of the citizen mainly are, first, ignorance or inadequate knowledge of governmental programmes, even those meant for his benefit. Secondly, there is a widespread belief that nothing gets done without some "pull" or the assistance of a "contact man." Such a belief and attitude on the part of the citizen shows that he has an ingrained distrust of administration and its officials and is convinced that administration has to be made to move and that things do not happen automatically. This lack of communication between the administration and the

public is due to factors like widespread illiteracy among the public and the inadequacy of means of mass communication. The subject of mass communication has not yet been given the attention it deserves and it is high time that the subject is studied and steps taken accordingly.

However, government alone cannot effectively solve this problem. Political parties can help in many ways. They can aid in publicising government programmes, thus making the people aware of the contents and implications of programmes set up for public benefit and other governmental laws, rules and regulations. The party workers can also help the public, particularly in rural areas, in obtaining the required forms, in filling them, in drafting applications and processing them through the requisite procedure. Sheer self-interest should drive political parties in this direction. It is high time that the ruling party concentrates less on parliamentary activities and more on the constituencies and educating the "masters." Similarly, the opposition parties would be well advised to give less attention to agitational tactics and more to constructive work in the countryside.

Another organisation that could help in this matter is the Panchayat. The Panchas have a duty to help the villagers in this respect, but so far they have not done much in this way. Other organisations like Bharat Sewak Samaj and Sudhu Samaj and educational institutions can also do much in this direction. As a matter of fact, the successful working/a democratic government depends to a great extent, on the active and positive role of voluntary organisations in the country.

On their part, the officials should adopt a humanistic approach to their clientele - the public. Things like provision of drinking water and seating arrangements ensuring protection against sun and rain at numerous district and tahsil offices will go a long way in changing the public image of the officialdom. Frequent adjournment of court cases causes considerable hardship to the people and steps must be taken to stop it and in general to expedite judicial proceedings. It should be remembered that for every one person who comes to district and tahsil courts and offices there are about five or more back home who are influenced by the former's image of officialdom.

The attitude of officials has thus to change and the best way to bring it about is a large-scale training programme to cover lakhs of such front-line employees who come in direct contact with citizens. They have to be made public-relations oriented. Such a training programme should also create an understanding on the part of these employees of government policies and programmes. There is urgent need for winning over the front-line workers to participation in the gigantic task of national development. A more scientific system of inspection will also help in this direction.

III: Incentives in Public Service

a) Removal of "caste system" in services.

"A system that is geared to dispense justice and equality of treatment in the matter of disbursement of the usual rewards for service, i.e. pay, allowances and promotion prospects, etc. on the basis of fair and impartial assessment of merit without regard to other considerations of

service labels, regional affiliations, class or community, is, in the last analysis, the best guarantee for adequacy of incentives to ensure improved performance of public duty." (R.N. Vasudeva: Incentives in Public Services).

b) Creation of incentives and motivations among public officials at the subordinate levels.

What is necessary is to evolve a system by which those amongst the lower ranks who are fit for higher positions can be discovered and appointed. In general, promotions have to be accelerated.

c) The present system of writing "confidential reports" by way of evaluating the performance of officials is unscientific and needs to be revised. The problem, briefly stated, is: how does one evaluate and judge the work of public officials? To do this in any objective way it is necessary first to determine the exact nature and scope of the duties of an official through a process of job description and specification. The contents of a job must be clearly formulated and published. In the second place, scientific criteria have to be evolved to evaluate performance.

An immediate step in this direction could be to communicate to the official concerned good remarks about him in the same way as damaging remarks at present communicated to him. Every official seeks and appreciates recognition of his good work. This small innovation will definitely act as an incentive for further effort towards better action.

d) Reward for the meritorious and punishment for the shirker are equally necessary for healthy morale in services. Too much security in government service often acts as a disincentive for hard and efficient work. There should be no hesitation on the part of Government to remove or shift or otherwise deal with an official who is found slack and inefficient in his work.

e) Provision of adequate opportunities for further education for the younger members of the lower ranks of officials.

III Relationship between the Central Secretariat and its Executive Agencies

We start on the assumption that in an administrative system which is primarily geared to development, line or operating agencies need to be strengthened and vitalised. Responsibility and authority must go hand in hand in the interest of vitality in administration. This will involve:

a) Redefinition of the role of the Secretariat with a view to making it a staff agency.

b) More emphasis on the role of the Minister as the Head of a Department. A Minister to-day has a dual role - one that of a maker of Government whose primary role is that of policy formulation and coordination and the other that of a head of a Department sitting at the top of a big line agency. To-day the emphasis is more on the former or the secretariat role. The need of the hour is to shift it to the other or operational role. Once this shift has been brought about, the role of the Secretariat would have changed in consequence.

- c) Liberal delegation of functions and authority to field or operating agencies.
- d) The impression that the Secretariat per se is superior to line agencies has to be dispelled. The trend toward exodus to the Secretariat must be halted. The following concrete measures may help in this direction:-
 1. appointment of senior officers as Collectors of big and important districts.
 2. Equalisation of the rank of the Head of Department with that of the Secretary.
 3. Withdrawal of special secretariat pay.
- e) There should be no bar for the technical heads of departments occupying highest positions in the Secretariat.
- f) Certain procedural changes will also help in the matter (See my paper for such changes).

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INDIAN INSTITUTE OF PUBLIC ADMINISTRATION

The Conference on Administrative Reforms
Advisory Group on General Administration

Report to the full Conference :

The Advisory Group has prepared and submitted the following papers.
for submission to the Conference.

1. Background Paper on Summaries of Recommendations of Administrative Reforms Committees of the Government of India since 1919.
2. Background Paper on Summaries of Recommendations of Administrative Reforms Committees of the State Governments since 1944-45.
3. Relationship between the Central Secretariat and its Executive Agencies.
4. Approaches to the Study of Citizen - Administration Relationships.
5. The Citizen and Administration - Public Perceptions and Evaluations of Indian Government, Delhi State.
6. The Citizen and Administration - Public Perceptions and Evaluations of Indian Government, Delhi State.
7. Experiences of Citizens in getting water connections - a Study in Corruption.
8. Control Mechanism in Government - A Study in Inspections.
9. Incentives in Public Services.
10. Forms Simplification in the Government of India.
11. Relations between Officials and Non-officials under the Panchayati Raj.

In addition two papers have been presented by the participants -

- (i) Intervention by K.N.V. Akastri, and (ii) The Public Image of the District Administration by G.D. Patel.

The Advisory Group, however, decided to confine its attention only to the following three problems of administration.

1. Incentives in Public Services
2. The Citizen and Administration
3. Relationship between the Secretariat and its Executive Agencies.

The Group has posed certain issues and formulated certain suggestions on these three topics for the consideration of the Conference as follows:

Incentives in Public Services

1. Can we have a unified civil service?
2. Can we have common and uniform pay scales for all Class I services?
3. Is the present system of allotment to various Central and All-India services satisfactory?

The suggestion is that allotment for various Class I and All-India services should be made not immediately after selection as is the case today but after a common training for 1 or 2 years and after ascertaining their aptitudes for different jobs.

Another view was that the above suggestions may be desirable as a long range objective but in the meanwhile certain steps could be taken as follows:

1. Reducing the differences in pay scales and other emoluments as between different Central Class I Services.
2. Throwing open responsible positions to services other than I.A.S. at a particular stage, such as Deputy Secretary and above.
3. Devising ways and means to attract talented persons into higher positions.

4. Creation of cadres and scales of pay for technical personnel comparable to or sometimes more favourable than the conditions of pay and scale of service of the non-technical personnel.
5. To find out ways and means of providing job satisfaction, re-recognition and prestige for the work done with appropriate techniques of test before appointments or promotion and disincentives for the unfit or unworthy persons.

* * * * *

THE PUBLIC IMAGE OF THE DISTRICT ADMINISTRATION

(The Sabarkantha Field Study Project)

1. Introduction

The genesis of the Sabarkantha Field Study Project lay in the anxiety of the Planning Commission to streamline the administrative machinery by eliminating procedural defects, bottlenecks, malpractices and difficulties in administration. With the implementation of the two plans and the progress of the Third Plan, it was visualised that the difficulties and complaints of the common man would be considerably reduced. But due to the deficiencies in the implementation of the development programmes, the complaints became more strident and difficulties more varied and complex. In 1962, the Planning Commission, in collaboration with the Gujarat Government, therefore, prepared a scheme for the study of the working of the district administration. The Sabarkantha district was selected for this pilot project. This project broke new ground and was the first of its kind in the whole of India. It is therefore of special administrative importance to the country.

The Gujarat Government formulated the scheme regarding the Field Study Project under "Public Cooperation Schemes." The expenditure was shared between the Planning Commission and the Gujarat Government in proportion of 60:40.

2. The terms of reference

The terms of reference were:

- 1) to study the existing administrative procedures in each department,
- 2) to suggest ways and means to eliminate the existing procedural defects, administrative bottlenecks, malpractices and delays resulting in hardships to the common man,
- 3) to suggest specific improvements including modifications of the existing rules and regulations to ensure maximum benefits and
- 4) to study the difficulties of the administration and suggest suitable measures to increase the efficiency of the staff and to promote public cooperation.

3. Methodology

The following four-fold tools were employed for the field study:-

1. questionnaire,
2. interviews,
3. case-studies, and
4. observation

A separate questionnaire for each department was sent to the district head and the Secretary of the Government department concerned for furnishing information regarding the administrative bottlenecks, causes of delay, machinery for coordination and grievances of the public against the administration.

The interview method was employed to gather exact data and ascertain opinions, attitudes and trends towards the district administration. For different categories of interviewees, interview guides were prepared and finalised after pretesting in the district. About 400 interviews were taken of heads of institutions and persons at different levels in the society.

The case-study method was employed as an important tool of sociological

research. It provided necessary documentary evidence regarding the administrative processes and the intellectual milieu in which the decisions were taken. The case-studies also served as cross-checks against the data thrown up in interviews. Cases were therefore selected which had a long chequered career and had a bearing on the public complaints against the administration. Accordingly, over 200 case-studies were made relating to different departments operating in the district. Observation as a tool of research was employed as a cross-check against the data thrown up in interviews and case-studies. Besides, the views and suggestions about the problems of district administration were elicited from knowledgeable persons in and outside the Gujarat State.

4. Departments

The following administrative departments of the district were covered by the study:-

1. Revenue Department
2. Police Department
3. Agriculture Department including Animal Husbandry and Soil Conservation
4. Public works Department (Roads and Buildings), (Irrigation and Head Works),
5. Medical and Public Health Department,
6. Forest Department including Forest Settlement Office,
7. Sales Tax Department
8. Cooperative Department
9. Education Department
10. Social Welfare Department
11. Industries Department, and
12. Community Development and Panchayati Raj.

5. The study was made under the direction and control of the Committee of Direction. The Committee consisted of the Chief Minister of Gujarat as

Chairman and 8 members viz. Chief Secretary of Gujarat, Shri B.P. Patel, I.C.S., as representative of the Planning Commission, Dr. I.P. Desai of the M.S. University, Baroda as an expert on methodology, Shri Chinubhai Chairman, Gujarat Branch of the Indian Institute of Public Administration, Shri Gopalbhai V. Patel, President, Sabarkantha District Panchayat, Collector of Sabarkantha district and Dr. G.D. Patel as Member-Secretary.

The field study was initiated in August 1961 and was completed by the end of June 1964. It was gratifying that the district heads of different departments and other officers at various levels of administration extended cooperation to the study. The willing and spontaneous cooperation of the public was of immense help.

6. Suggestions and recommendations

The study has thrown up data about public complaints against various echelons of the district administration. They particularly relate to grant of land for cultivation, permission for non-agricultural use, payment of compensation and refunds, permits, licenses, taqavi, subsidy, corrugated iron sheets, cement, customary forest rights regarding grazing cattle, timber and produce, harassment, malpractices, etc. These complaints were studied in the context of the actual working of the departments concerned. The study revealed that the administration had certain difficulties with the result that the final disposal of the applications from the public was delayed at different levels in the departments. The main reasons were that recruitment of the personnel was not proper, that office accommodation and instruments of working were not adequate, that there was lack of

guidance for the new laws and schemes to be implemented, that there was interference of public workers and pressure groups, that officers empowered to take decisions did not decide the cases and that there were difficulties regarding residence, medical facilities, and education of children. The Committee of Direction took a comprehensive view of the public complaints and the difficulties of administration at different levels. It also took into account the social and administrative milieu in which the civil servants functioned in the district. After carefully considering these facts, the Committee made practical suggestions and recommendations for toning up the district administration in particular and for improving the public image of the administration in general. The suggestions and recommendations made by the Committee may be broadly classified as under:

- I. Administrative personnel
- II. Administrative processes
- III. Corruption
- IV. Forum of public relations.

I. Administrative personnel

1. There is initial need for proper recruitment and training of the staff. After putting in service for some years, there should be inservice training by refresher or reorientation course. Such training is necessary to keep civil servants abreast with the latest laws and schemes which they have to implement.

2. Office accommodation should be adequate and working conditions congenial. There is need for providing sufficient instruments of working such as paper, stationery, typewriters, reference books, etc. For smooth

internal working of office there should be equitable distribution of work. The work should flow in the direction it should and not in the direction in which it is done. Where workload has increased because of special schemes or legislation, it is necessary to increase the staff. But there should be no proliferation of the staff which may result in diffusion of responsibility.

3. Provision for adequate residential, medical and educational facilities are essential for maintaining the efficiency of civil servants.

4. By increase in the cost of living, the pay-scales of civil servants have gone out of focus. The increase in dearness allowance has proved a palliative and not a solution. There is therefore urgent need for government to control prices of consumer goods.

5. The general feeling among the civil servants is that there is no incentive for good work. Any civil servant with even bad record of service can get promotion if he has political contacts and can pull proper wires. This has demoralised the honest and efficient civil servants. Now the office work is not done as before because good work is not adequately appreciated and bad work is not strictly punished. Unless good work is appreciated and bad work punished, it will be difficult to regain the former efficiency.

6. There is a tendency among Government servants to harp on their service rights without reference to service obligations. This has led to indiscipline, irregular attendance and slipshod work in offices. They should, however, feel that they are vital cogs in the administrative machinery and have an important role to play in the day-to-day administration.

7. Much would however depend on the top man in the office. He should be efficient and honest. He should set an example by his hard work, integrity and human behaviour with the staff. The maxim that an individual builds an institution also holds good for any Government office.

II. Administrative processes:

1. In the context of the developing economy and the structural changes in administration brought about by the Panchayati Raj, most of the old procedures have become outmoded. There is, therefore, imperative need to rationalise the administrative procedures in the light of the emerging pattern of administration.

2. Now there is considerable awakening in the masses, who clamour for more amenities and facilities for their villages and towns. Their appetite is whetted by the advent of the Panchayati Raj. As a result, every question requires to be quickly attended to and disposed of. The public is not in a mood to brook any delay in disposal. In this situation, it is extremely necessary to prescribe and publicise the time-limits for various applications for grant of land, licences, refunds, etc. It is essential that the people should know the time-limits within which their applications will be finally disposed of. For prompt disposal, the need for close inspection, supervision and control over the office work is apparent. As there are certain inter-departmental problems, internal and external co-ordination of Government machinery is also essential.

3. Several executive orders, instructions, rules, forms, etc., continue in force and infinitum, even though they might have outlived their

utility. There is need to weed them out by periodical review by appropriate authorities. In the case of government orders which are subjected to frequent amendments, there is need to issue consolidated revised orders indicating the latest position so that back references to the old orders may not be necessary.

4. With the advent of democracy and Five Year Plans, paper work has increased to an appreciable degree. Secondly, to some extent, such work has increased due to reluctance or hesitation of officers to take decisions in matters within their powers. Thirdly, it has increased because higher officers call for information which is already on their records. Lastly, subordinate offices are asked to submit statements and returns at various levels. At some levels, they may not be necessary. In this situation, paper work can be reduced if the head of the office exercises his powers and higher officers stop calling unnecessary statistical and other information.

5. In implementation of many socio-economic policies after independence, many laws have been enacted and enforced. The common man is lost in the labyrinth of laws. The administrative personnel has not been able to keep pace with the progress of the legislation. In this situation, the people desire that laws should be few and simple to understand and administer. This demand arises because excessive legislation has given scope to delay and corruption.

III. Corruption

After independence, the public began to come in frequent contact

with different administrative levels particularly at the village and taluka levels for grant of taqavi, subsidy, improved seeds, cement, corrugated, iron sheets, etc. As these demands could not be satisfied quickly, the public workers came forward to assist applicants, and interference with administrative began. Such interference has adversely affected administrative processes and morale of the personnel. In this situation, it is necessary that public contacts should be through regular channels. Many of the evils of interference can be eradicated if the public workers establish by their own actions high standards of rectitude and integrity.

Corruption in administration is a reflex action of the social, economic and political conditions of the society. The civil servants come from such society. There is, therefore, urgent need to reform the society along with the civil servants. In the case of proved offences, the punishment to civil servants should be maximum and deterrent.

IV. Forum of public relations

To ventilate the grievances of the public at large, the need for a public forum is acknowledged on all hands. It may be in the form of an Ombudsman or a Grievance man, who would be above political and other pressures and be able to approach appropriate levels and redress public grievances. Some such agency at the district and State levels is necessary to look into the public complaints and grievances. The existence of Sabarkantha Field Study Project in the district proved that many applications which were going on for a number of years were finally disposed of during the study.

On the pattern of the Sabarkantha Project, a proposal for initiating similar projects in one district of each State is under consideration of the Planning Commission.

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THE INDIAN INSTITUTE OF PUBLIC ADMINISTRATION

NEW DELHI

Conference on Administrative Reforms

August 10 & 11, 1963.

Working Paper

This working paper attempts to focus attention on some of the major areas of our administrative system in respect of which the Emergency has emphasised the need for urgent reforms. Administrative problems in the industrial and agricultural sectors, and those in the field of general administration, some relating to its impact on the citizen, others to the need for its modernisation, are considered in this paper. There may be other problems also which the Conference may like to identify as among those requiring urgent consideration.

When these problems have been identified, the Conference in smaller Sections may like to examine them further and then appoint Study Groups for their detailed examination and report. The Conference is proposed to be reconvened in about three months' time for the reconsideration of these Study Group reports.

I

PROBLEMS IN GENERAL ADMINISTRATION

It is the general experience that the higher levels of organisation and functioning of the administration receive most of the attention that is bestowed upon the field of administrative reform and the lower levels tend to get relatively much neglected. This neglect takes place at the hands alike of the politician, the upper or middle level executive and the research worker. For them there is generally no leisure for, nor

any great interest in, the functioning of the so-called low or routine levels of administration.

2. And yet, it is at these levels - the level, for instance, at which a counter-clerk deals with a common citizen in a public office - that a million points of contact is established every day between the Government and the people. These levels of administration constitute what has been aptly described as its 'cutting-edge'. For the large bulk of the citizens, this indeed is the only or the predominant form of contact with the administration. In any society, the performance of Government must, in the long run, be judged with reference to the totality of individual experiences at these routine and low levels of administration. It is common experience that there is a wide gap between the efficiency as well as responsiveness of the higher and middle levels of administration on the one hand, and that of the lowest levels of administration on the other.

3. The Conference might like to consider what causes and cure there might be for this gap. A suggestion made is that hierarchical organisations lend themselves to this neglect of low levels of administration and that it is an error to take for granted the principles or utility of hierarchical administration. Under cover of hierarchy, decentralisation and delegation, the task of administration at the level of its 'cutting edge' comes to be dealt with by low-level functionaries, ill-equipped and ill-trained for the point of physical contact between the administration and the citizen. As one descends down the hierarchical ladder, generally speaking, competence decreases, there is less resilience in administration, less wisdom

* Dr. A.A. Park, in a recent talk at the I.I.P.A.

in using judgment or discretion within the law or regulation, more rigidity and a tendency to be authoritative. Often, a high or middle-level departmental chief is inclined to assume responsibility for incompetent acts and decisions taken at much lower levels than his, and thereby develops some kind of built-in self-justification in administrative institutions. Often too, the reliance on the mechanism of appeals or on a system of vigilance or inspection merely clogs the machine with the sheer number of cases, and soon these processes of rectification and reform become the dead weight of routine.

4. What then are the principal lines along which administrative reform, really aimed at substantial improvement of affairs at these levels should be pursued so as to make the 'cutting-edge' of administration more efficient, more resilient and more responsive to the common citizen whom it seeks to serve. Should existing administrative organisations and institutions be broadly taken for granted, or is there such a concept as the age of institutions to reckon with? In the context of the present national Emergency, should reforms and rationalisation be undertaken with the time-horizon of only a few years in view, or should we rather be prepared to make major changes and not be content with minor adjustments.

5. For the efficient and satisfactory functioning of the lower levels of administration, is it enough to rely upon a system of vigilance or inspections by the higher executives, upon a mechanism of appeals or complaints against decisions taken or behaviour shown at lower levels, or upon an emphasis on accessibility to the general public on the part of the higher or middle executives, or are more positive measures to supplement the above likely to yield good results, e.g. (1) better selection and

training of the low-level functionaries, specially those manning the public counters or supervising these counters; (2) better techniques and more modernisation in work; (3) better physical facilities and conveniences in public offices for the visiting public, like inviting waiting-rooms and enquiry windows served by kindly receptionists, simple direction boards and directories, help in filling up forms or understanding the regulations and so on; (4) better designing of public offices, on the pattern of good commercial firms in the West, so that not only is the middle or higher level executive accessible to the general public but work in his organisation is carried on under the watchful and helpful eye of the superior; (5) lesser emphasis on hierarchical channels and convention, so that the clerk at the counter, seized of an apparently genuine personal problem of his visitor, may feel free to consult his superior on the spot and take his counsel as to whether or not a less rigid enforcement of a rule or regulation is called for; (6) establishment of public information bureau which are not concerned with enforcement or execution, but only with the task of guiding the public; or (7) the administrative education of the general public in other ways.

6. Should not reliance be placed at least as much on a suitable system of rewards and incentives for an official giving a good account of himself at the low-levels of administration, as on the system of vigilance, deterrence and punishment of the delinquent?

7. The rationalisation and simplification of forms and procedure at the low levels of the district office, the planning office, the post-office, the customs office, the railway booking office, the power-distribution office, the licensing or any other office have always been recognised as

an important line of reform. But in the sphere of forms and procedures, is it not generally true that in devising new forms or procedure, the old system of checks and controls, based as it is upon all-round distrust and undue caution, is taken for granted, and there is disinclination to break new ground, to advocate the taking of risks in simplifying procedure and rules, or to evaluate and balance the prevention of losses from vigilance on the one hand with the cost of excessive vigilance on the other? Should not the task of research into administrative ills at the level of the 'cutting-edge', and their possible cure, be entrusted to a body of 'outsiders', to the organisation with an adequate proportion of experts in the field of public administration?; such people are perhaps likely to produce more purposeful accounts than the somewhat dramatised versions of the functioning of administration published by journalists, or given out by politicians. The former should do better also than administrators unaided by such knowledgeable outsiders, because administrators are apt either to take existing institutions for granted or often to turn in reports of a self-justifying character.

8. The need for adequate and timely attention to the problem of improving the administration at the level of the 'cutting-edge' is obvious. Quite apart from the problem of the present Emergency in a developing economy this matter assumes even greater importance. For, with economic development wider spread of education and a general improvement in the social and economic well-being of the common man, there will also be growing political consciousness and growing demand for more and more efficient, resilient and responsive administration at the lowest levels.

II

THE INDUSTRIAL SECTOR - PUBLIC AND PRIVATE

Government - both at the Centre and in the States - impinges on industry at many points. With the growing emphasis that the development of industry has received in India's economic planning over the last 12 years, the effective administration of Government's industrial policy at all levels has become a crucial factor in determining the country's rate of economic growth. The declared policy - of rapidly developing certain basic industries primarily in the public sector, while at the same time fostering the growth of privately-owned units over the whole range of residual industries - is hardly now in dispute. The Conference may, however, take stock of the extent to which the machinery of Government is actually able to carry out the policy of industrial expansion, identify the areas where administrative shortcomings are hindering that policy, and suggest improvements.

2. Industrial planning

Licensing policy under the Industries (Development and Regulation) Act seeks to serve a number of aims, all of which may not always be reconcileable. For instance, regionalisation and dispersal of industries may result in higher operating costs; economies of scale may conflict with the need to prevent the growth of monopoly; insistence on foreign participation in equity tends to favour established business houses as against new entrants; and so on. It may be considered whether the agencies concerned with implementing these policies have sufficient information and technical knowledge to examine all the implications of new investment, size of units, location, etc; whether clearer directives are necessary to enable

officials to deal with conflicting aims of policy; and whether the procedure for the consideration of applications for industrial licences needs to be modified.

3. The need for balanced development introduces constraints on the growth of some sections of privately-owned industry, as also does the allocation of scarce resources like foreign exchange between maintenance and short - and long-term investments. Again, while economic planning generally provides a positive stimulus to the growth of private industry, the setting of targets by five-year periods may, if applied inflexibly, place unnecessary obstacles in the way of the rapid growth of the more efficient and progressive units of an industry. The questions the conference may consider are whether there is an adequate inter-change of ideas between Government and industry making for effective industrial planning; the extent to which the Government Councils are fulfilling this need; the utility of other Advisory Councils; and whether representative associations of private industry are so organised and informed as to be able to contribute effectively to their task.

4. Foreign exchange and import licensing

Availability of foreign exchange is, and will probably continue for a long time to be, the main factor limiting the full utilisation of industrial capacity as well as the more rapid establishment of major new industries. Apart from overall scarcity, and the priority and allocation problems raised thereby, the multiplicity of sources of external assistance and the variety and complexity of foreign-aid release procedures operate to increase the time-lag in implementing new industrial projects and in achieving full production. These difficulties face private and public

sector projects equally. It may be considered whether any simplification of procedures and reduction in processing time can be suggested for

- (a) capital goods licensing (including clearance 'from the indigenous angle');
- (b) import-licensing of raw materials, components an' spares;
- (c) drawal of foreign credit (including loans from international financial institutions).

5. It may further be considered whether any administrative changes could increase the inflow of foreign private capital into those industries for which - owing to the need for foreign 'know-how' or otherwise - foreign investment is welcomed by Government. The uncertainties involved and the time taken at present in obtaining Government approval to the terms of foreign technical collaboration and foreign capital participation, could probably both be reduced. The permissible limits to acceptable terms should be fairly wide, to allow for some weight to be given to especially urgent needs, and these terms and limits should not be frequently varied.

6. Other restrictions on new enterprises

Besides an industrial licence, approval of collaboration terms and import licences for capital goo's, a new enterprise has often to obtain approval or assistance from governmental agencies for:

- (a) issue of new capital;
- (b) acquisition of land; building plans;
- (c) mining leases, concessions of forest resources etc;
- (d) procurement of cement and steel for factory construction;

For each of these, government policies, priorities and procedures tend to change from time to time, sometimes without the entrepreneur's knowledge.

At each point there is the likelihood of delay. What can be done to reduce delay and uncertainty?

7. Services and Supplies

Government provides rail transport, and increasing quantities of power and fuel to industry. For road-access, water supply and sewage also, industries are often dependent on governmental or quasi-governmental agencies. So any lack of advance planning, wrong estimation of demand, or delay in augmenting the availability of these supplies and services, or inefficiency in their operation, naturally tends to retard the pace of industrial growth. On the other hand, temporary imbalances between demand and supply - as in the case of coal transport and power supplies in certain areas last year - are probably inevitable from time to time. The Conference may consider whether any specific measures can be suggested for correcting existing imbalances (if any) and avoiding them in the future.

8. Public Enterprises

(i) Planning:

There is cause for anxiety in the time-lag that exists at present between the initial conception of a project and the placing of contracts for the construction of the plant; the causes of delay, as far as they are within our control, should be eliminated. There is need for adequate forward planning for expansion and diversification of the large projects in the public sector. In particular, expert cadres for design, construction and consultancy have to be built up quickly in many fields of technology.

(ii) Construction:

Delays at the construction stage are only too common. Together with planning delays, these account for the relatively slow rate of utilisation of tied foreign credits. Capital costs are also raised and imbalances caused in the economy. The usual causes of delay might be

discussed, and the possibility of better programming of construction works examined.

(iii) Operation:

The setting up of production targets, introduction of management accounting systems for proper evaluation of financial and operating data, and measures to increase productivity are some of the immediate problems of units in the public sector, as in the private sector. The need for structural changes in the management of these enterprises (delegation of powers, fixation of responsibility, extent of financial and audit control) might be considered; as also the respective roles of technical specialists and generalists in their management.

9. Manpower planning

Industry has so far paid little attention to the need to train technicians for its own future expansion programmes, and has depended on the foresight of Government to provide at all times an adequate pool of trained manpower on which it may draw. With the growth already achieved in industry, mining, power and transport, and the much greater rates of growth just ahead, and with the increasing complexity and specialisation of the industrial structure, the need for producing technical manpower, quantitatively and qualitatively, deserves very close attention. The programmes for the training of various types of engineers, supervisors and operatives, including apprenticeship and in-service training schemes, may be considered with a view to suggesting any modifications in scope and method.

10. Miscellaneous

If time permits, the conference may also like to consider other industry - Government relationships, such as the procedures for purchase of

civil and defence stores, the administration of export-incentive schemes, the functioning of the Excise, Customs and other Inspectorates, operation of joint management schemes sponsored by Government, sanctioning of loans for modernisation of obsolete equipment etc.

III

THE AGRICULTURAL SECTOR

1. Union - State Relations:

In the constitution, agriculture has been listed as a State subject. The Government of India does not possess the powers of direction and control over the administration of agriculture. The Department of Agriculture in the Ministry of Food and Agriculture is responsible only for formulating an overall policy and programme for the country and advising the State Governments in carrying out the programme in their States. In view of the great importance of agriculture in the Indian economy, its strategic position in the economic development of the country and the limited success the programme of agricultural development has made in the past, it may be useful to examine whether the centre should not play a more pivotal role and assume greater direction and control over the agricultural administration in the country. The Conference may like to consider this important issue and indicate lines of advance on the present position.

2. Distribution of powers and responsibility between the Ministry of Agriculture and the Ministry of Community Development at the Union level:

Agricultural development is, on the face of it, the responsibility of the Ministry of Agriculture. It has to answer to Parliament for any shortfalls and failures of programmes. But the organizing, developing and

supervising of the Agricultural Extension work at the local and grass-roots levels has been entrusted to and is being carried out by the Ministry of Community Development, Panchayati Raj and Cooperation. The work is being carried out to some extent in an atmosphere of indecisiveness and there may be only partial commitment among participating Ministries to achieve the targets. In the interest of vigorous and devoted application to achieve greater food production and the goals of the Five Year Plans, it may be necessary to place the relationships between the two Ministries on a clearer and more rational and practical basis. It has also been suggested that the two Ministries may be merged. The Conference may consider this important question and examine the various suggestions which have been put forward in this connection.

3. The Generalists and Specialists:

The administration of Agriculture, like similar fields of administration, has the problem of working out a pattern of relationship between the Generalists and the Specialists. Power and responsibility is shared from top to bottom by two more or less parallel lines of officers. On the one hand, there is the Secretary, the District Officer, the B.D.O. and even the V.L.W.; on the other hand, there is the Director of Agriculture, the District Agricultural Officer, the Agricultural Extension Officer at the Block Level and also the V.L.W. in so far as his main work is considered to be in the agricultural sphere. The Specialist's position is generally that of an adviser to, if not a subordinate of, the generalist at his level. In the accepted philosophy of Indian administration such a set-up is regarded as satisfactory, and any difficulties which may arise in its working are believed to be capable of solution by coordination. It

remains, however, that the technical men's complaints are heard of inadequate powers, insufficient status, and divided responsibility. The Conference may consider this problem. In this context it may also consider the suggestion for the creation of an all India Agricultural Service.

4. Democratic Local Bodies and Agricultural Development:

Since the organization of Panchayati Raj Institutions high hopes have been expressed in some quarters that, by placing these institutions at different levels in overall charge of the Planning and Administration of Agricultural Programmes at the local level, the administration of agricultural developments has been placed on a sound basis. On the other hand, some doubts have been expressed about the correctness of the heavy involvement of these local bodies in agricultural programmes. The suitability of Panchayati Raj institutions as administrative instruments for agricultural development may, therefore, be considered by the Conference.

5. Strengthening Points of Responsibility:

The field of Agricultural Administration is extensive; starting at the level of Central Ministries it reaches down to the Village level. It comprises varied activities ranging from the arrangement of supplies and making different kinds of services available to the farmer to research and education in agriculture. What has been said in the earlier paragraphs may also be put in terms of the importance of locating and strengthening points of responsibility in the widespread range of activities directed and controlled by the Ministries and Departments concerned directly or indirectly with agricultural operations.

IV

MODERNISING THE ADMINISTRATION

The main problems arising under this head may be stated as - a) overcoming resistance to change; b) organisation of innovation; c) introduction of modern techniques and tools in administration.

1. The first of these problems is the most difficult of solution. Before it can be tackled, it would appear necessary to make a survey of the extent to which resistance to change exists in a given organisation, the forms in which this resistance manifests itself and the psychological, institutional and other devices that can possibly be adopted to overcome the resistance.

The solution would have to cover the more positive aspect of promoting among administrative personnel the necessary receptivity for change.

2. Under the head 'Organisation of Innovation', one important line of administrative reform might be to ensure that organisation and methods arrangements do not get confined to the higher levels of administration, but percolate to the lowest levels; it is at these levels that the administration comes into contact with the people. There is also the obvious need in every organisation for co-ordination of O & M efforts.

There is similarly need for self-survey i.e. each administrator, manager, supervisor and employee continually analysing for himself the activities for which he is responsible, and reviewing the existing arrangements to deal with those activities, with a view to effecting as many improvements as possible in the light of actual experience. The important thing here would be that the process should be built-in and should be continuous in character with every member of the organisation inculcating an interest in and a sense of responsibility for thinking creatively about the work

discharged by him.

3. Organisation of innovation must also necessarily cover the important field of research in innovation. Reliance upon either a built-in system of internal O & M effort or an external arrangement on the same lines would not by itself serve the purpose fully. These processes would have to be supplemented with independent research in the field of innovation. If such research is to be of practical use in promoting administrative refo it would necessarily have to direct itself to specific problems concerning a given organisation. At present, there are institutions of an academic character where facilities exist or can be organised for the conduct of independent academic research in such problems but mostly they carry on research and studies largely on their own and there is, generally speaking, a lack of adequate contact between these institutions and the Government organisations. It would be to the considerable advantage of the latter if they were to make greater use of the facilities for independent research available in the academic institutions by assigning to them problems of particular interest to the Government organisations. This would also make research and studies undertaken by the academic institutions concerned more purposeful.

4. The third major problem in the field of modernisation of administra-
tion is the one of introducing modern techniques and tools in administra-
tion. Far too often, the tendency has been to attempt administrative refo
or re-organisation by taking existing structures and organisation, as they
have existed, as sacrosanct. It may be desirable to consider the
advantages of what might be described as 'clean-break' from the past in

considering the structural and procedural re-organisation of a given organisation, also to consider whether the concept of 'age of an institution' has validity and importance. In the field of modern techniques and tools, the ideas that might be considered for adoption are operations-research, performance-budgeting, work-study, job analysis, efficiency-rating, appraisal-techniques, promotion of initiative and creativity, location of potential talent and its nurturing and appropriate use, production-planning, programming and control, etc.

5. Apart from the question of introduction of modern techniques, there is serious need to consider the introduction of automation in the public offices and the use of modern tools which promote expeditious disposal of public work. Besides the advantage of expedition, introduction of these tools should provide greater job satisfaction to the employees and result in reduction of monotony and drudgery. (The tools that are in mind are items like modern duplicating machines, dictaphones, calculators, modern filing and recording devices, etc.

6. Another necessary step in the direction of administrative reform is the association of non-governmental expertise. This could take the form both of adopting techniques, tools and devices in use in the more advanced and modern business firms inside and outside the country as well as the utilization of consultant services in the field.

August 3, 1963.

INDIAN INSTITUTE OF PUBLIC ADMINISTRATION
(Conference on Administrative Reforms)

Report of Group I (General Administration)

October 22, 1964

MEMBERS

Shri N.V. Gadgil - (Chairman)
Shri S.V. Kogekar
Shri Donald C. Pelz
Shri S. Banerjee
Shri J.N. Khosla
Shri B.B. Misra
Shri Baldev Prakash
Shri A.L. Fletcher
Shri K.N. Butani
Shri N. Agha
Shri K.N.V. Sastri
Shri K.L. Sharma
Shrimati Om Prabha Jain
Shri S. Kothari
Shri A. Avasthi
Shri V. Jagannadham (Rapporteur)

The Group on General Administration met from 3 p.m. to 5.30 p.m. on 22nd October under the Chairmanship of Shri N.V. Gadgil. Shri K.N.V. Sastri chaired the Group after Shri Gadgil left.

The deliberations in the Group reflect a four line approach to the problem of reforms in general administration. These are 1) Ethos, 2) Organisation, 3) Personnel and 4) Procedures. On each one of these aspects considerable discussion took place and the following is a consensus of the views expressed ^{and} recommendations adopted.

1) Ethos

The attainment of Independence in 1947 radically transformed the political-administrative complex in the country. Later the adoption of the democratic parliamentary form of government, the Welfare State and Socialist ideology, and the planned process of change with state and administration as chiefly responsible agents of change have thrown new and heavy responsibilities upon the administration, the magnitude and complexity of which are becoming clearer ever since. The introduction of democratic decentralisation at the district and lower levels of government has brought about a radical change in the administrative and political scene.

While this radical political, economic and social transformation has been taking place, the administration inherited from the past has by and large retained its former characteristics except for some reforms here and there. The Committee unanimously felt that

while large scale changes have taken place in the socio-economic and political life of the country, there has not been a corresponding development in the administrative, political and social ethos.

The Group therefore recommends that there should be a comprehensive review of administration in all its aspects and at all levels by a high power commission.

On the scope, composition and method of review and on the subject of ensuring a reasonable prospect of implementation of the recommendations, prolonged discussions took place and reflected many points of view. Which could be summarized as:

1. Single versus plural commission
2. Permanent or periodic review
3. Should the recommendations of the review-body be advisory or mandatory
4. Should the area of review by such a body extend to all levels of government - central, state, local (rural-urban) or should it be confined to the central government with freedom for the States to establish their own review-bodies with or without direction, guidance and/or assistance from the Centre.
5. Should the fields of review include all activities of government including the management of public enterprises or exclude some activities; if the latter, what to include and what to exclude?
6. What would be the purpose of review - is to suggest a radical transformation of government and administration, if so would it be within or without the framework of the present constitution, and forms and values that were developed and established since independence? Is a review body an appropriate one to conceive radical transformations in purposes, structures and procedures in administration or should there be a built-in-review system with a tradition of cashing the suggestion system, with a constant and continuous review body manned competently to carry out its tasks build into the major administrative departments are available to each level of government.

The consensus in the committee that a commission broadly on the pattern of Hoover Commission in the U.S.A. should be appointed at an early date to undertake a comprehensive review of administration in all its aspects and at all levels with a view to formulate measures for improvements in administration. It will obviously be necessary for the commission to be assisted in its task by a sizable staff, equipment and resources and presumably by a number of panels, task forces, technical teams etc. The Group recommends that the Indian Institute of Public Administration may immediately undertake a study of the various requirements involved. Pending its appointment, the Indian Institute of Public Administration, should also, with assistance from the Planning Commission and the Administrative Reforms Department of the Ministry of Home Affairs, carry out preliminary intensive studies which may provide background material on a number of problems which the Commission might be called upon to examine.

During discussions in the Group some of the problem - areas requiring administrative reforms which came up for mention are the following:

- i. The problem of creating the requisite social ethos in which the public servant and the citizen alike would help develop the right attitudes and relationships towards each other, and which would promote the growth of a clearer administration, as well as one in which the morale of the public services is fully sustained free from political 'pulls' or other unhealthy pressures and influences;
- ii. What should be the role of a Secretariat vis-a-vis the executive agencies of the government and public enterprises;

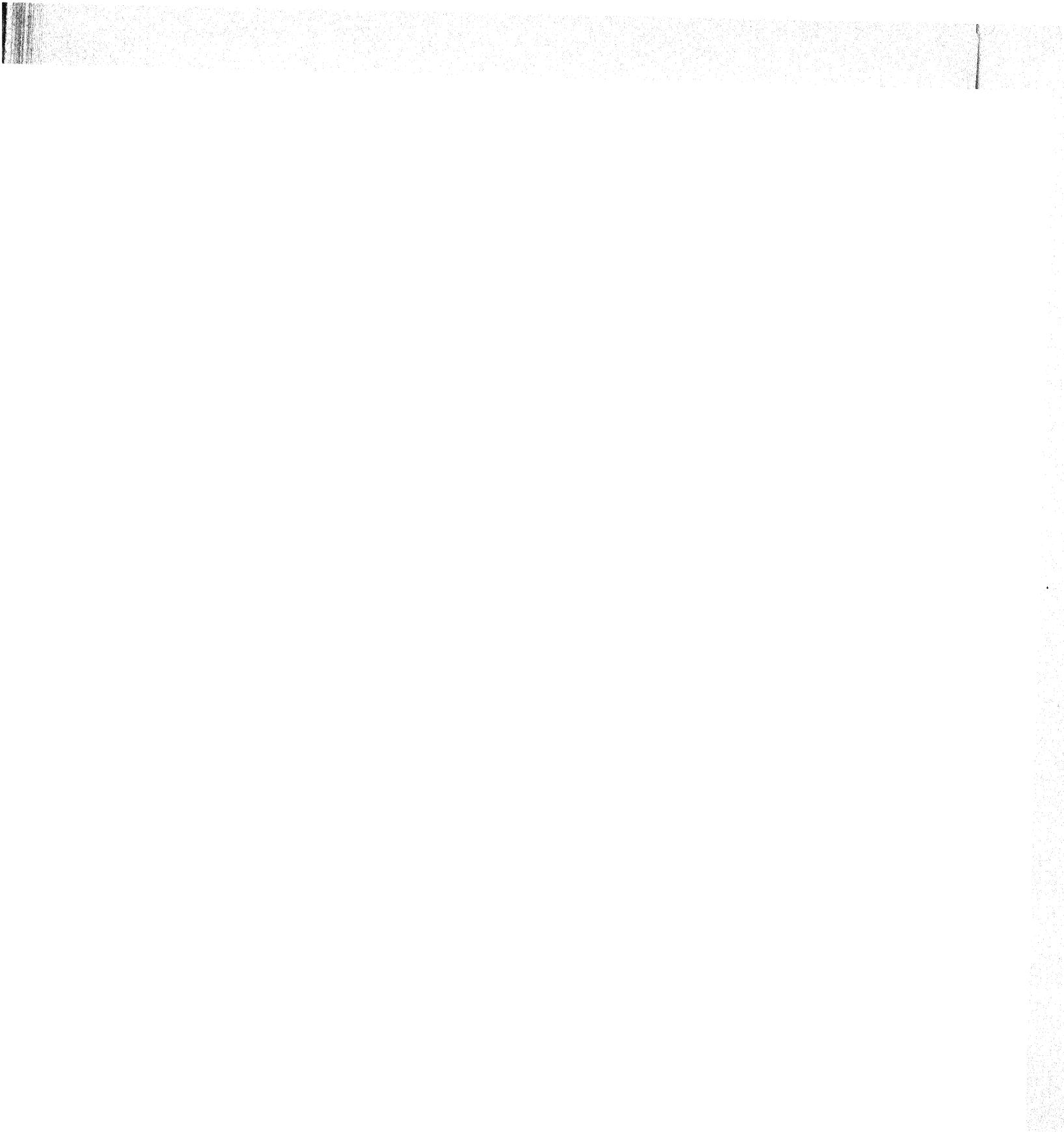
- iii. What steps should be taken to restore to the routine maintenance administration its requisite measures of efficiency and effectiveness, which have suffered neglect in recent years;
- iv. Are the recruitment, training, pay and promotion methods satisfactory enough to select and allot the right type of personnel for the proper job? Generally, are the present personnel management policies conducive to motivating civil servants to put forth their best performance? Is there need for a unified higher civil service?
- v. Do the civil servants bring to bear appropriate attitudes and skills in their day to day work in relation to their superiors or subordinates or in their relations with the citizens or groups of citizens; if not, would the formulation and adoption of a code of conduct bring about the necessary change and/or would a modification of the training programmes bring about the desired change? How to get the civil service to make career-promotion attitude secondary to service performance attitude?

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- vi. What measures can be devised whereby administration can be characterized by a substantial measure of genuine trust and delegation instead of the present excessive "checks and balances"; in particular, whether the present Audit and Expenditure Control Systems need change as they are widely believed to inhibit and slacken administrative performance?
- vii. What measures can be devised to bring about a continuous simplification of procedures and forms which in the view of the Group will have an appreciable effect on the efficiency of administration?
- viii. Is it not true that administrative reforms tend to remain confined to the relatively higher levels of administration and do not percolate to the humble level of the counter clerk at which, in fact, million points of contact are established everyday between the citizen and the administration? What measures can be devised to improve efficiency as well as public relations at the counter-clerk level to provide satisfaction to the citizen?

- ix. Is the existing machinery for the redressal of grievances (not merely of corruption) adequate? In what way does it need to be improved and strengthened?
- x. Is there need for the adoption of modern tools and equipment in administration on a larger scale than has been done so far?
- xi. Is there a need for behavioural scientists to be entrusted with research studies to examine the problems of growing trends of "alienation" and "distance" between the citizen and the public servant and suggest solution to bring about a greater integration between the public and the administration.

The Group recommends that since the administration of the country is a joint venture of the Union and State Governments, it would be desirable and necessary that the proposed enquiry should encompass administration in its totality from the Central to the village level. In order to secure the widest possible participation of the States and with a view to avoid any overlapping efforts by States themselves, it would be necessary that at all important stages relating to the formation and functioning of the proposed Commission, the Central Government should consult the State Governments through an appropriate forum like the National Development Council or ad-hoc conferences of Chief Ministers.



Managerial Cadres - Main Conclusion
for Discussions

On personnel recruitment, training and terms of employment, a number of studies have been undertaken by the Institute and also by such bodies as the Estimates Committee of Parliament, and a number of opinions have been expressed, the latest one being the report of the special officer appointed to inquire into the security arrangements in Heavy Engineering Corporation. Though these problems have been under discussion for sometimes yet no clear decision has yet been taken and the policy continues to be uncertain. It is not clear whether each plant is to develop its own cadre, and recruitment and training is to be companywise; or whether an effort is to be made to have a common service or pool, with common recruitment, training, and the attendant transferability, centralized promotions etc; or whether a via media is to be adopted, with some form of unified recruitment, for example, at the graduate level and with a common training centre at the initial level. It is also apparent that the enterprises themselves do not always appreciate the value of training, and cannot easily spare officers for courses organised by different institutions.

It is suggested accordingly that, in the first place, the present uncertainty be removed; that a definite decision be taken as to whether each plant is to be made to have a common cadre, or whether some via media is to be attempted. It is felt that,

generally speaking, it would be advisable to have unified recruitment at the fresh graduate level, with common initial training; and that, thereafter, the recruits allocated to the different enterprises be left to fend for themselves. It is also suggested that the enterprises be required to ensure that all the personnel are adequately trained within a reasonable period of time.

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MANAGEMENT CADRES

Of the resources available to developing countries in their drive for growth, the most important is managerial personnel. Shortage of managerial experience has often led to lack of efficiency, shortfalls in execution and reduction in the rate of growth. The problem of management personnel in Public Enterprises has, therefore, engaged the attention of Government for some years; but there has, according to the Estimates Committee, been no concerted effort by Government and the Public Sector undertakings to meet this problem.

For some time attention had been focused on a management service, resulting in 1957 in a decision to establish a Management Pool for Public Sector Enterprises, drawn from both the Private and the Public Sector. The decision in favour of a Pool was presumably because of the resistance of Public Enterprises to a full and complete service. The Pool, however, has not apparently served its purpose.

Unlike the civil services, a management cadre would surely have to cater largely for specialist functions. Apart from the few top managers, the majority of management personnel are specialists in such functions as Industrial Relations, Personnel, Materials Management, Marketing, Accounting, Progressing etc. If recruitment is to be undertaken for a management service, a sufficient number of specialist managers also be recruited.

Any consideration of management requirements must entail

first an assessment of the requirements of these specialist and generalist managers over the next few years, to enable a reasonable basis of recruitment to be framed. Such an assessment has not yet, apparently, been made. The first question to be settled, therefore, is whether, in considering a management cadre for Public Sector enterprises, a year-wise requirement of the specialist and generalist managers should be obtained, and by what means; through the enterprises themselves; by deduction or comparison with similar enterprises in the Private Sector; or by an estimate based on the industrial production required year by year. The assessment will naturally be only an approximation.

The requirements of management manpower may be met in the long run, through a re-orientation in emphasis in the nature of education imparted in Universities and Technological Institutions. But, this cannot meet requirements in the short run, during the next 15 or 20 years, when the shortage of management manpower will continue to be acute. How can the shortage be made good?

Existing Public Enterprises have been obtaining their requirements of manpower from the human material available. But this material lacks the experience of business undertakings, and the experience of management; and experience cannot be easily or quickly built up. During the next 15 or 20 years, therefore, the manpower problem is the problem of building up management knowhow in a force in which management knowledge and experience is limited. On the job training is a lengthy process and often expensive in

terms of equipment, manpower and results. Such on the job training can be supplemented by other forms of management training through short term courses, seminars and study tours. Such supplementation has largely to be undertaken through training of existing personnel, who cannot, unfortunately, easily be spared for long periods.

To understand the dimensions of the problem, we can assume as an exercise, that Union Public Enterprises now number about 70, and will increase at the rate of about 10 a year. On the Personnel Management side, for example, for each project an average of two three executives will be required, at least one of whom will be benefitted by a three months training period. For the existing personnel, therefore, at least 200 man months of training will be required for Personnel Management executives. For all such similar functional executives, about 200 man months will be required. This will mean 17 classes of 3 months duration, each class comprising 40 executives, the training of which would clearly be beyond the capacity of the existing Institutes of Management, the existing Staff College, and the Indian Institute of Public Administration suitably expanded.

Quite apart from the requirement of training and the ability of the enterprises to release personnel for such training, is the acceptance of the idea by the enterprises themselves and by others concerned, that training is vital and inevitable. Is there, it will be asked, another alternative method of obtaining the managerial

personnel required? Can a Service or a Pool really meet requirements? In a Service or a Pool, how will the interchange of personnel, promotions and interchange take place, when the types of enterprises and their sizes are so varied? Looking again, for example, at the question of Personnel Management, it would appear that a Personnel Manager in the Delhi Milk Supply Scheme, would have to be of a different category to the Personnel Director in Hindustan Fertilizers. In a small concern, a Personnel Manager may even be responsible for certain other administrative functions.

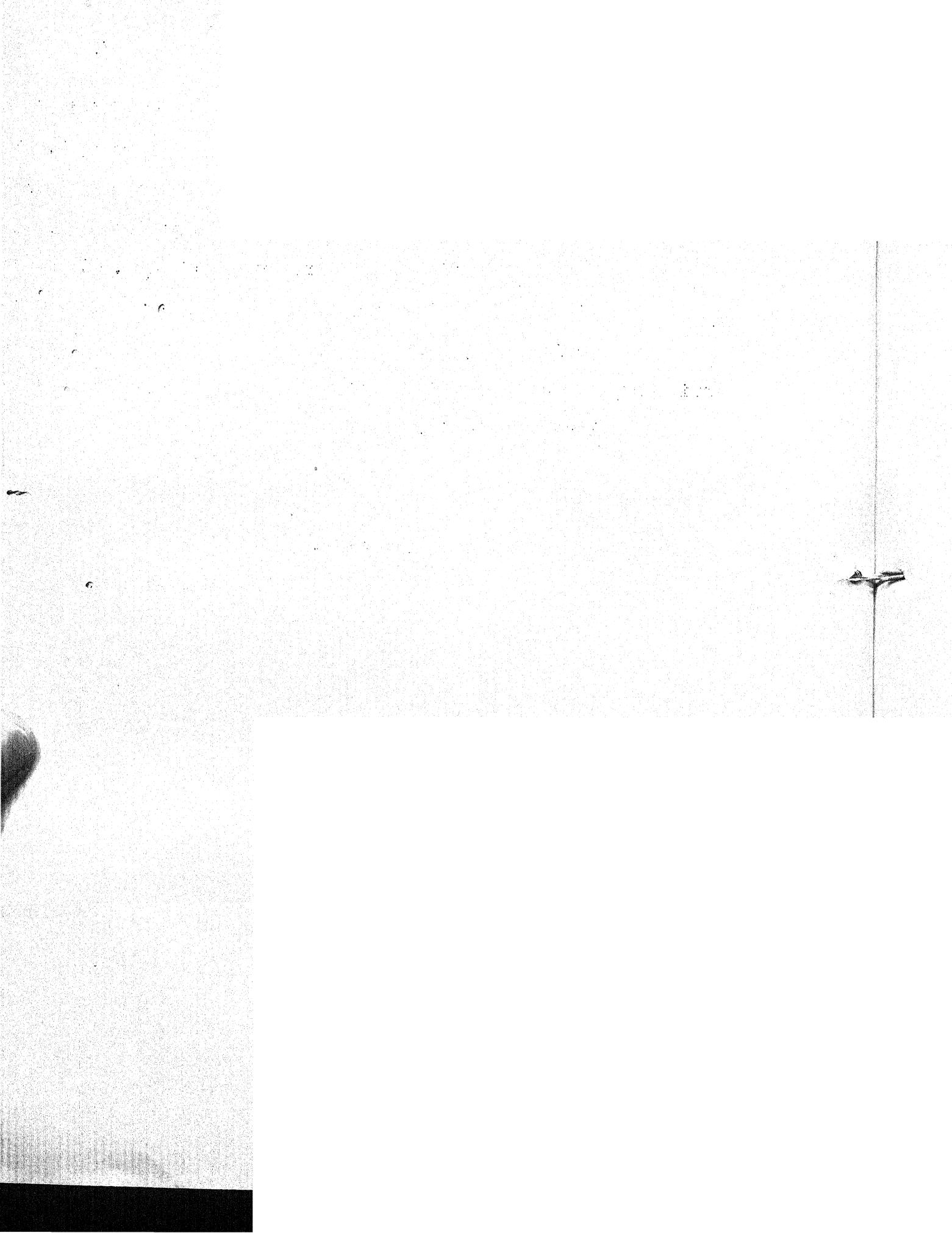
There is also the view that a management Pool conflicts with the concept of "promotion from within", a concept which most enterprises favour because of its effect on the morale of the enterprise. There is also the view that a Management Service or Pool would introduce civil services conditions in the Public Sector, and result in reducing the attraction of such a service, either through low pay or through the uniformity of the conditions of a service, or by limiting prospects of promotion largely to a seniority basis.

The problem is a serious one and requires early consideration if Public Enterprises are to function efficiently. The problem entails consideration of manpower planning and how it is to be undertaken; whether a Pool or service can serve the purpose, and whether either can be effective in the circumstances. The problem brings out the question of training both in plant and in outside institutions, on a very large scale, together with its significance and its effect on the morale of the work force.

No organisation, however great, can expect efficient results without adequate trained and experienced personnel. The shortage of personnel experienced in management has caused and is causing many difficulties in the running of public enterprises, and serious losses in time, money and even equipment. It is time, therefore, that a special agency was set up for the study of the manpower requirements, for an examination of the methods of recruitment, training and placement, and for the preparation of a plan on a long term basis.

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A REVIEW OF THE MACHINERY FOR THE
REGULATION OF PRIVATE INDUSTRY.

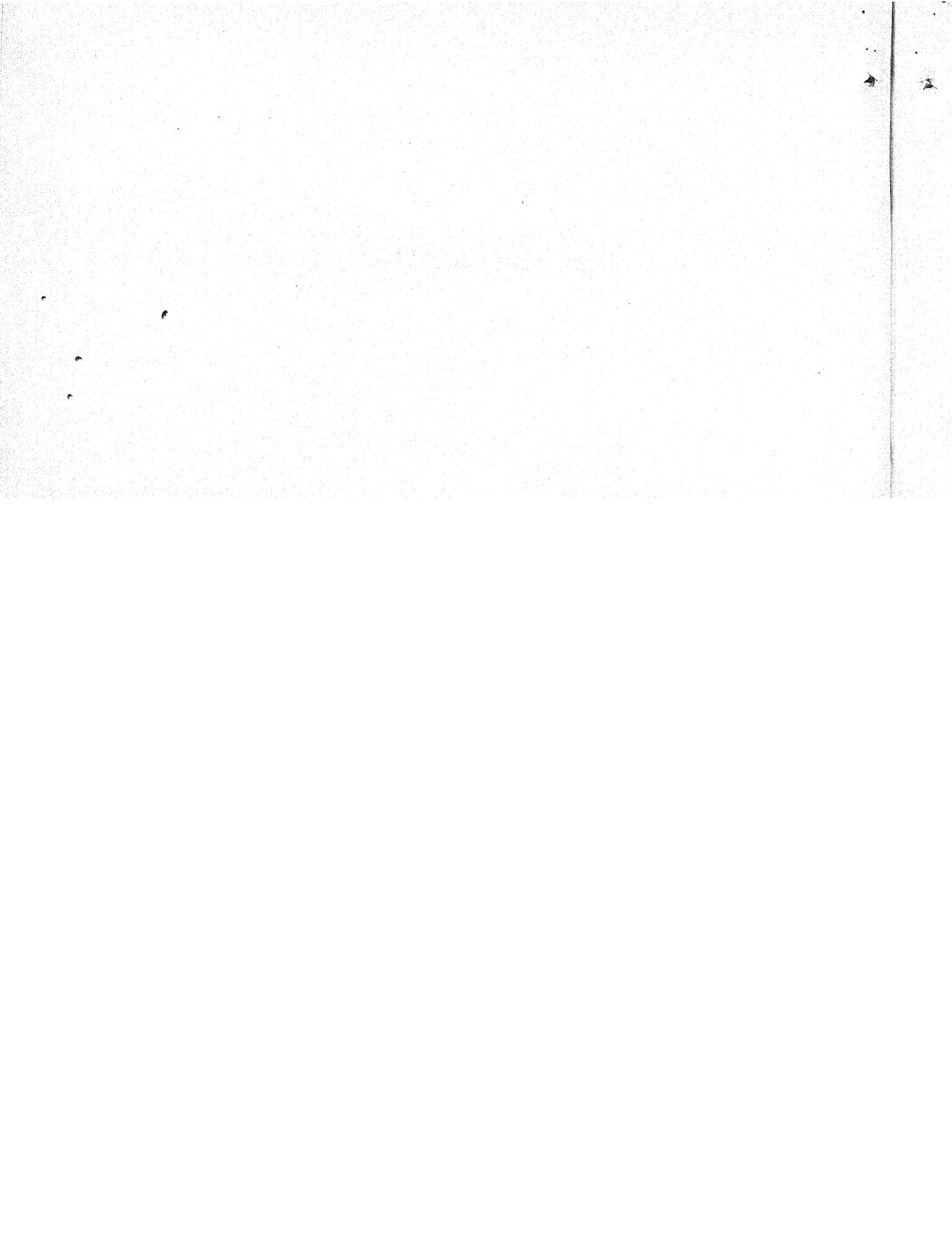
By

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In a developing country wishing to improve quickly the standard of living of its people, the need for rapid and healthy growth of industries is imperative. This is so in the case of India which has fallen behind in the economic race and wants to pack development of centuries into a few decades. The basic framework of economic policy for industrialisation of the country is provided in the Industrial Policy Resolution of 1956, which visualises a mixed economy and demarcates the areas of activity both for the Public and the Private Sectors.* The Resolution recognises the important and valuable role the private

The Industrial Policy Resolution, 1956, has divided industry into three categories: (I) industries the future development of which will be the exclusive responsibility of the State. The following industries are listed in this category: (1) Arms and ammunition and allied items of defence equipment, (2) Atomic Energy, (3) Iron and steel, (4) Heavy castings and forgings of iron and steel production, for mining for machine tool manufacture and for such other basic industries as may be specified by the Central Government, (6) Heavy electrical plant including large hydraulic and steam turbines (7) Coal and lignite, (8) Mineral oils, (9) Mining of iron or manganese ore, chrome ore, gypsum, sulphur, gold and diamond, (10) Mining and processing of copper, lead, zinc, tin, molybdenum and wolfram, (11) Minerals specified in Schedule to the Atomic Energy (Control of Production and Use) Order 1953 (12) Aircraft, (13) Air Transport, (14) Railway transport, (15) Ship building, (16) Telephones and telephone cable, Telegraph and wireless apparatus (excluding radio receiving sets) (17) Generation and distribution of electricity.

II) industries which will be progressively State-owned and in which the State will, therefore, generally take the initiative in establishing new undertakings, but in which private enterprise will also be expected in this category: (1) All other minerals except 'minor minerals' as defined in section 3 of the Minerals Concession Rules, 1949, (2) Aluminium, and

(continued on page 2)

enterprise and initiative has to play in the fast industrialisation of the country. It emphasises the need for creating a suitable climate in which the Private sector could function effectively and in the best interests of society. The Resolution advocates the provision of all possible facilities and freedom to the Private Sector within its allotted area of operation.

However, the resources in men, money and material being unquestionably limited in our country, it has to be ensured that no avoidable waste takes place in the utilisation of these resources by the private sector,

(continued from page one)

other non-ferrous metals not included in Schedule 'A'
(3) Machine tools, (4) Ferro-alloys and tool steels,
(5) Basic and intermediate products required by Chemical industries such as the manufacture of drugs, dye stuffs and plastics, (6) antibiotics and other essential drugs, (7) Fertilizers, (8) Synthetic rubber, (9) Carbonisation of coal, (10) Chemical pulp, (11) Road transport, (12) Sea transport.

III) remaining industries the future development of which will generally be left to the initiative and enterprise of the private sector.

either in wasteful competition or by investments in the directions not desired. It is necessary for the Government, therefore, to discipline the Private sector to the needs of economic development and to make it function within the framework of the Five Year Plans and according to the priorities and targets laid down therein. In such a programme of planned economic development, the need for regulation, guidance and supervision of the activities of the private industrialists by the Government can hardly be overemphasised. The socialist pattern of society accepted by Parliament as the objective of economic policy further makes necessary such as regulation and control of private industry.

The main instrument of industrial regulation in India is the Industries (Development & Regulation) Act, 1951, which is aided by other enactments regulating special aspects of industries or special industries themselves*. There has also been evolved a complex of

* Such enactments are: Essential Commodities Act, 1955; Companies Act, 1956; Capital Issues (Control) Act, 1947, Foreign Exchange Regulations Act, 1947, (as amended by several amendment Acts); Rubber Act, 1947; (as amended by two amendment Acts in 1954 and 1960); Tea Act, 1953 and Mines and minerals (Development and Regulation) Act, 1957.

administrative procedures to implement the various regulatory legislations. These procedures are as important as the legislations they seek to implement, since it is very much on them that the maintenance of proper climate for industrial promotion depends. If the entrepreneur finds such procedures dilatory, irritating and frustrating, it would certainly act as a retarding factor in establishing of new enterprises. An attempt is made in this paper to describe these procedures, involving the different Governmental authorities and as faced by a private industrialist in establishing a new industrial undertaking or in adding new capacity to the existing unit. When the private sector is called upon to contribute economic maximum in the sphere and supplement the efforts of the Government in the field of economic development, it may be useful to examine whether such procedures while implementing the policies of the Government have gone too far and created conditions in which private enterprise and initiative can not function effectively and in the best interests of the community. It is proposed therefore to point out here the areas of delay and difficulty encountered by an entrepreneur in obtaining from public authorities the necessary licences and permission in connection with the various aspects of setting up

new enterprise or in expanding the existing unit. We shall also try to indicate as to what has been done in the recent years to improve the administrative procedures as also the scope available for further improvements.

Before an entrepreneur launches an industrial venture, he has to go through some necessary formalities in connection with Registration, Industrial Licence, Import Licence, Foreign Collaboration if such a participation is envisaged, Capital Issue, Long term finance, Technical know-how, acquisition of land, water supply, Electricity connection, etc. etc. Some of these are dealt with by the Central Government in its various Ministries and Departments and others like land acquisition, water supply and others fall within the jurisdiction of State Governments and Local Authorities.

REGISTRATION:

The Industries (D. & R.) Act provides for the registration of all industrial undertakings pertaining to the industries specified in the First Schedule to the Act. An application for the registration of an existing industrial undertaking is made, in triplicate, to the Union Ministry of Industry in the prescribed forms. The Registration process helps in the collection of industrial data as the forms prescribed for

the purpose under the Rules* are sufficiently exhaustive.

When an industrial undertaking needs registration under the provisions of the Companies Act, 1956, it has to go through various formalities; i.e.

- i) the proposed name of the company;
- ii) the drafting of the Memorandum and Articles of Association; and
- iii) the actual registration.

A company to be registered cannot take up an undesirable name or a name identical with the name of any other company. The Memorandum and the Articles of Association are required to be printed and are framed in standard form given in Schedule I to the Companies Act, 1956. A company by registration becomes a legal person with common seal and perpetual succession.

INDUSTRIAL LICENSING:

The Industries (D. & R.) Act makes it compulsory for an entrepreneur to obtain an industrial licence from the Government of India for the following activities in respect of the industries specified in the First Schedule to the Act:-

- 1) Setting up new undertakings pertaining to the Scheduled industries provided they employ more

The Registration and Licensing of Industrial Undertaking
Rules, 1952.

than 100 workers and have fixed assets i.e. land, building and machinery of not less than Rs. 10 lakhs* in value.

- 2) Existing undertakings which propose to effect "substantial expansion" as defined in Act.
- 3) The manufacture of "new article" as defined in Act.
- 4) Carrying on the business of existing undertakings which for one reason or another have not been registered or licensed so far under the Industries (Development & Regulation) Act.
- 5) Shifting of existing industrial undertakings from one location to another.

The entrepreneur has to submit 7 copies of the application to the Union Ministry of Industry in the prescribed forms giving information in respect of details of proposed capital structure, foreign collaboration, or investment envisaged, requirement of foreign technicians, proposed location, lines of manufacture proposed, number of stimulated working days in a year, estimated requirements of raw materials, requirements of capital equipment, rail transport, area of land required, water

* This limit has since been raised to Rs. 25 lakhs.

supply, power supply, staff and labour, etc. A Treasury challan for Rs. 50 deposited towards the prescribed fees, has to accompany the application for Industrial licence. The Licensing Committee set up under the Industries (Development & Regulation) Act considers the applications for Industrial Licences*. The Licensing Committee comprises of representatives of the Ministries dealing with industries, the Department of Economic Affairs of the Ministry of Finance, the Board of Company Law Administration, the Planning Commission, the Railway Board, the Central Water & Power Commission and the State Directors of Industries. The committee aims at development of industry according to the pattern laid down in the Plans and considers the applications keeping in view, (1) regional dispersal of industry with a view to bringing about balanced growth of all parts of the country, and (2) prevention of all the concentration of economic power through the same group of people acquiring control over a large and larger part of industrial capacity. Before, however, the applications

The Government of India have, however, decided to prepare lists of industries in which licences would be freely approved. In such industries licences for new units or expansion of existing units could be sanctioned without reference to the Licensing Committee. Also the Government would prepare, from time to time, lists of industries in which fresh capacity might not be sanctioned for one reason or another, and applications in this regard would be rejected without reference to the Licensing Committee.

come up for consideration by the Licensing Committee, they are examined in the Office of the Director General of Technical Development for comments in the various technical aspects pertaining to the application. The D.G.T.D. would check up as to how much of the capacity has already been licensed and whether the capacity applied for is within the target and should be sanctioned (it can recommend an increase as well as a decrease). It would also examine whether the location proposed is suitable; the importance of the industry vis-a-vis other industrial projects under way and proposed; the availability of necessary raw materials locally and soon. Also, before the application is put up to the Licensing Committee, clearances would be required from the Railway Board regarding rail transport facilities and from the State Governments in connection with the availability of power, land, water, etc. After the Licensing committee approves the grant of an industrial licence to the applicant, a communication is sent to him by the Government setting out certain terms and conditions on which a licence under the Industries (D & R) Act would be issued. On the applicant's accepting the terms and conditions as imposed by the Government, a licence under the Industries Act is issued to him.

IMPORT LICENSING AND FOREIGN EXCHANGE:

Obtaining an industrial licence does not by itself equip an industrialist to start production. There may be required plant, machinery and raw material to manufacture the proposed commodity. In many cases the requisite plant, machinery etc. are not available in the indigenous market and therefore have to be imported from abroad; and for this purpose an entrepreneur has to approach the Government for the issue of necessary import licence in his favour.

It may be stated that owing to shortage of foreign exchange, the Government have not found it possible to grant import licences in all cases. The chances for an applicant getting an import licence are brighter if he himself can make satisfactory arrangements for raising external finance or if the Government have facilities in the shape of credits or payments arrangements with particular countries to finance such imports. In the case of external finance, the forms of financing generally acceptable to Government are investment in the equity capital of the Indian Company or long term finance* repayment liabilities in the coming five to six years being heavy, the Government would, generally, not agree to financing of import on the basis of short-term

* The importer can, however, ascertain in advance whether the form of financing he proposes will be acceptable to government or not. The procedure for this is to write the Special Officer, Capital Goods, Office of the Chief Controller of Imports & Exports, furnishing him information regarding the value of the equipment, purpose for which imported and the country or countries from which to be imported. The intending importers can also seek information from the Special Officer as to whether the Govt. will authorise imports against loans or payment arrangements negotiated by it.

deferred payments except in cases where the imports are likely to result in a quick saving or earnings of foreign exchange to enable the payments for the machinery to be made out of such earnings or savings.

In the absence of any special arrangements made with particular countries to finance imports of a substantial value of capital goods, the Government prefers to consider such applications for import licences against long-term overseas investment which means that the value of plant and machinery should be covered by:

- (a) foreign capital investments which are not likely to be remitted back for a period of 10 years or so;
- (b) long-term loan in foreign currency obtained from agencies like the Industrial Credit and Investment Corporation of India Limited, Bombay International Finance Corporation, Washington, Commonwealth Development Finance Company Limited, London.

The grant of a cash licence is considered by the Government when the value of the imports required is small and there is no other mode of payment possible.

Applications for the import of goods required to be

submitted either to the Chief Controller of Imports and Exports or the Regional Licensing Authorities. Industrialists intending to import capital goods and heavy electrical plants into the country have to submit their applications in triplicate with 5 copies of the list of goods proposed to be imported.* They are required to furnish full particulars and in description of the plant and machinery they want to import from abroad. In case the machinery proposed to be imported is second-hand or reconditioned, the industrialist has to send with his application a certificate from the Chartered Engineer in the country of origin indicating the age of the machine, its present condition and expected life. For a project falling within the purview of the Industries (Development & Regulation) Act, the Industrialist has to indicate in his application whether the industrial licence necessary under the Act has been obtained by him. In addition, the industrialist has to fulfill all conditions which are of general application, eg. income-tax verification certificate number, treasury receipt, etc. The Government does not, generally grant imports licence for an item being produced indigenously. The applications for import licences

Applications for Capital goods and heavy electrical plant are to be addressed to the Special Officer, Capital Goods, Office of the Chief Controller of Imports and Exports, New Delhi.

are referred to the Directorate General of Technical Development to ascertain whether the goods proposed to be imported into the country are already being produced indigenously or not.

All applications for licences for the import capital goods are scrutinised by the technical authorities concerned* and then placed before the Capital Goods/Heavy Electric Plant Committee/Sub-committee which considers their merit for the grant of import licences**.

The Capital Goods/Heavy Electrical Plant Committee comprises of the representatives of the Ministry of Industries, the Department of Economic Affairs, the Company Law Board and the Planning Commission. This Committee is divided into two: the main committee and an ad hoc committee.

The ad-hoc committee is a small body and holds weekly meetings to dispose of smaller matters. The main committee meets once in a month and deals with important matters and also decided priorities. After this committee approves the issue of an import licences, the papers go

For instance applications for the import of Heavy Electric Plant are scrutinised by the Central Water & Power Commission (Power wing), Government of India.

Applications for import licences of a value not exceeding Rupees 2 lakhs are considered by the Chief Controller of Imports and Exports.

to the Chief Controller of Imports and Exports for the actual issue of a licence to the applicant.

In the case of small scale industries, the applications for import of machinery and equipment, of a value more than Rs. 50,000/- are to be sent, in the prescribed form, to the Chief Controller of Imports and Exports, together with an essentiality certificate from the Director of the State concerned or the Regional Development Commissioner (Small Scale Industries) as the case may be. The applicant is required to indicate in his application whether the machinery and equipment he wants to import is the entire requirement for completion of his scheme, and if not, the value of the balance of the equipment that he would require later. The Government likes to deal with a consolidated application covering the entire requirement of machinery and equipment and does not favour piece-meal applications. Applications for an import licence of a value less than Rs. 50,000/- is to be submitted to the port authority concerned.

The import licence is given against a certain lumpsum of foreign exchange* which is placed by the Finance Ministry, at the disposal of the Joint Chief Controller in-charge of licensing. The foreign collaboration agreements

This lumpsum also includes foreign exchange obtained by means of credit from International Financial Institutions, etc.

are first cleared by the Finance Ministry and then the exchange to be obtained from foreign sources as a result of the agreement is sanctioned by the Chief Controller of Imports and Exports from the lumpsum to which the Finance Ministry adds the exchange obtained through the agreement.

After all the formalities are over, an import licence is issued in duplicate, one copy marked for 'Customs Purposes' and the other for Exchange Control Purposes'. The Exchange Control copy serves as an authority for making remittance in foreign exchange through the authorised dealer in payment of the goods to be imported. The customs copy enables to the importer to get clearance of goods on arrival from the customs authorities.

FOPEIGN INVESTMENT AND COLLABORATION:

The needs of industrial enterprises, especially of those falling in the large-scale sector, are so immense and varied that they cannot be fully met from the resources available within the country. It is therefore, a common practice with such industrial undertakings to meet their requirements by entering into various forms of foreign collaboration. The Government policy is to

encourage such collaborations provided they conform to the general requirements of its industrial policy and are calculated to lead to increased efficiency in the field concerned. Foreign investments which would eventually contribute to the strengthening of the foreign exchange position of the country by making possible savings on imports or by earning foreign exchange through exports are generally favoured. The Government therefore, encourages foreign investments in the field of manufacturing and checks them from being channelled to trading and financial enterprises. Also the Government would like foreign investments in those industries in which adequate capacity does not already exist in the country. It is generally insisted that the foreign inventors have a minority interest in the collaborated enterprises.* and they provide sufficient opportunities for the training of Indian personnel in the operation and management of the enterprises. In the case of technical collaboration agreements involving recurring payments, the Government accords approval only if they have a limited period of life which does not exceed ten years**. The In exceptional cases where it is found expedient in the national interest, the Government does not object to foreign capital having control of a concern for a limited period. In special circumstances, the Government allows extension of the agreement for a further period.

Government is anxious that the foreign collaboration agreements do not lay down any restriction on exports from India and also that they do not tie down the Indian concern to purchase specialised items like components of products from particular countries only.

All applications seeking approval of foreign collaboration agreements are submitted in the prescribed form and in quadruplicate to the Union Ministry of Industry, (Industry Policy Section). The applications are considered by the Foreign Agreements Committee of the Ministry of Industry, which has since been merged with the Capital Goods/Heavy Electric Plant Committee. After the decision is reached, the Government of India sends information to the applicant. The formal authorisation under the Foreign Exchange Regulation Act is, however, issued by the Reserve Bank of India.

CAPITAL ISSUE:

Alongwith obtaining an industrial licence, an import licence and permission for foreign collaboration, an industrial undertaking requiring capital issue of more than Rs. 10 lakhs* needs permission from the Government of India for doing so. The Government seeks to exercise control over the 'issue of capital' through the instrument

* This limit has since been raised to Rs. 25 lakhs.

of the Capital Issues (Control) Act, 1947, and the Rules framed thereunder*. An industrialist has to apply to the Central Government asking for any of the following permissions:

- i) the consent of the Central Government to the issue of capital under the provisions of the Act;
- ii) any alteration in the terms and conditions of a consent previously given by the Central Government or any extension of the period of validity for which such consent was given;
- iii) the regularisation of the issue of any capital made without the prior consent of the Central Government.

All applications for the issue of capital are to be submitted to the Controller of Capital Issues, Union Ministry of Finance, in quintuplicate and in conformity with the requirements laid down in the questionnaire specified in the Schedule announced to the Rules.

Permission is also necessary under the Capital Issues Act, from the Controller of Capital Issues, for any incoming foreign capital in excess of Rs. 10 lakhs.

Under the Act an 'issue of capital' means the issuing or creation of any securities whether for cash or otherwise, and includes the capitalisation of profits or reserves for the purpose of converting partly paid up shares into fully paid up shares or increasing the par value of shares already issued.

CRITICISM OF THE REGULATING MACHINERY AND PROCEDURES:

It is now a matter of common knowledge that inordinate delays occur in obtaining various sanctions in connection with the establishment of an industrial enterprise. In addition to going through dilatory processes of Registration Industrial Licensing, Import Licensing, approval of terms of foreign collaboration agreements and capital Issue, which involve the Union Government, an Industrialist has to deal with the Local authorities and State Government concerned for arranging certain other matters like acquisition of land, water supply, electricity connection, etc. Some of the delays met by the Industrialist are because of the nature of certain policies adopted by Government to achieve certain national objectives and are, therefore, unavoidable. But, delays caused by complicated and circuitous administrative procedures adopted by Government to implement the various Regulations are frustrating and irritating to the Industrialist. They sap his energies and produce a detrimental effect on the momentum of industrial activity in the country.

According to the Licensing Rules an applicant should be issued or denied an industrial licence within three months of his applying for the same. In practice, however,

the time taken for the issue of a licence is much longer, sometimes considerably exceeding a year. An application for industrial licence is subjected to examination by various authorities before it is put up to the Licensing Committee for approval. The various authorities dealing with the application enter into prolonged paper work and cross references among them and frequent asking ^{of} information from the applicant takes considerable time before anything is finalised. There is woeful lack of co-ordination between the various dealing authorities with the result that the applicant has sometimes to supply the same information again and again to different offices, and this information is asked for in a piece meal fashion which is very irritating to the Industrialist and consumers away lot of his valuable time. Even within the same organisation, the applicant has to deal with a number of branches/ in connection with the various aspects of the proposed project. In the Directorate General of Technical Development, the application is dealt with by the various Directorates, each of which tends to function as a separate entity. Considerable time is taken in the D.G.T.D. as the coordination between the various Directorates of this organisation is not adequate and the dealing officers try to shift responsibility to other shoulders. Delay is also observed in getting clearance

from the State Directorates of Industries in regard to matters which are referred to them, viz., availability of land, water, electricity, etc. The matter does not end here and the Industrialist requiring to import plant, machinery and raw materials from abroad has to face further dilatory procedures in obtaining an import licence. His difficulties are increased owing to the chronic tight position on foreign exchange front. There is inadequate coordination between the D.G.T.D. and, the Import Control Authorities resulting in loss of valuable time between the date of approval by the D.G.T.D. and the actual issue of an import licence by the C.C.I.E. Quite often Government policy is differently interpreted and applied by officials in various dealing offices. In addition to long-drawn out procedures, the D.G.T.D. would sometimes keep an application pending to watch a developing situation as regards availability of the proposed items for import. At the time of approving grant of an Industrial licence, the Licensing Committee does consider the foreign exchange component of the proposed investment. However, the same matter is scrutinised again by the C.G./H.E.P. Committee while considering the application for Import licence, in order to ensure that nothing is imported, which is indigenously available; and this takes a long time.

The frequency with which the C.G./H.E.P. holds its meetings is not adequate enough to speed up the issue of foreign exchange. Even after the C.G./H.E.P. has approved the grant of an import licence, delay occurs in the actual issue of licence by the C.C. I.&E. and in the release of foreign exchange, on the basis of the licence, by the Reserve Bank of India.

Getting terms of foreign collaboration approved from the Government is a long drawn out process and entails a lot of irritation and harassment for the Industrialist. The Indian entrepreneur in his bargaining process with the foreign collaborator is never sure whether the terms of agreement he settles would be acceptable to the Government. Whereas the foreign collaborator before concluding the agreement wants to be assured that the terms settled would be acceptable to the Government, the authorities in Government would not approve the schemes involving foreign collaboration unless they had thoroughly examined them from various aspects notwithstanding the prejudicial effect the consequent delay produces on the foreigners' minds who have competitive opportunities of investment in other countries. The delays in granting licences and permissions become cumulative owing to the

related nature of decisions in respect of the various aspects of establishing a new undertaking or expanding the existing unit. On the one hand, an industrial licence is sometimes delayed because of certain foreign exchange considerations and on the other agreements with foreign collaborators take long because the other party is not certain whether the Indian Industrialist would be able to secure the necessary Industrial licence.

The industrialists desiring to make use of foreign loans are put to further hardships of procedures and have to comply with various conditions imposed both by the Indian Government and by the aid giving countries. Moreover there is no clear procedure laid down for the procurement of foreign credit and therefore long delays become inevitable. It has quite often been remarked that the slow rate of utilization of foreign loans has been an important factor restraining economic development.

It would be seen from the foregoing paragraphs that the present administrative procedures meant to regulate and control the expansion of capacity in industry, have led to many irritations for the private industrialist. The delays and difficulties encountered

by him in establishing an enterprise create all sorts of uncertainties and suspicious in his mind and put a restraining influence on him to do anything like advance project planning. He would move the Government for putting various sanctions forth proposals absolutely necessary for the purpose ,and, start work seriously only after Government's approvals are all in hand.

It may be said to the credit of the Union Government that it has been receptive to the call for reforms in these procedures and has set up expert committees to study and make recommendations on the various problems connected with the administration of Regulatory legislations.

INTERIM REPORT OF THE SWAMINATHAN COMMITTEE:

The Government of India, Ministry of Industry, by a Resolution dated the 24th September, 1963, set up a Committee under the Chairmanship of Shri T. Swaminathan, to review the operation of controls applicable to the establishment of additional industrial capacity under the Industries (Development & Regulation) Act, the import of capital goods, the issue of capital, foreign investment and collaboration and to suggest such modifications as would reduce delays in decision. The Committee in its Interim Report submitted towards the end

the of/last year confined itself to two main recommendations.

The first recommendation relates to a speedy procedure for according clearance in principle (the issue of a 'letter of intent') to the establishment of additional industrial capacity. The second recommendation relates to a special procedure for the speedy processing of all applications relating to certain 'key' industries* which are either important for the promotion of self-sustaining industrial growth or are industries in which there is a substantial gap in the achievement of plan targets.

The committee has stressed that it is of the utmost importance that the applicant should know as early as possible whether government will be prepared to consider

The list of key industries consists of the following:

(1) Pig Iron, (2) Alloy steel, (3) Ferro-chrome and other Ferro Alloys except Ferro Manganese and Ferro-silicon, (4) Malleable iron castings, (5) Steel Castings, (6) Steel forgings, (7) Structural (heavy), (8) Industrial Machinery, (9) Cranes, (10) Machine tools including small tools, Dies, jigs and fixtures, (11) Automobile Ancillaries, (12) Coated Abrasives, (13) Electric winding Wires, (14) Fertilizers, (15) Sulphuric Acid, (16) Caustic Soda and soda ash, (17) Rubber chemicals, (18) Petro-chemicals including synthetic rubber, (19) Pesticides, (20) Paper & Paper Board, (21) Cement, (22) Pulp (cellulosic

The list is not exhaustive and is intended to be one of immediate practicability. This list, it has been recommended, should be reviewed from time to time.

favourably the proposal put forward by him, as it will be difficult for the entrepreneurs to negotiate with foreign collaborators or suppliers of machinery, without such an indication from Government. They have therefore, recommended a procedure under which a 'letter of intent' can be issued within about a month from the date of receipt of the application*. The Committee has further recommended that the 'letter of intent' should be valid for a specified period, say from 6-12 months, and that, if within this period the applicant does not submit all the remaining applications for the various clearances, the letter of intent should automatically stand cancelled. It is thought that in this way the difficulties in regard to the prompt weeding out of infructuous licences can be overcome to some extent. It has also recommended that while considering individual applications for the issue of letters of intent, there need

To ensure expeditious disposal of the applications, the committee has recommended certain time schedules to be followed in the disposal of the applications. The time schedule suggested is as follows: The new receipt section in the Ministry of Industry should send out to the various authorities, copies of the applications within three days of their receipt in the special section. The State Directors of Industries are to be given 3 weeks within which to offer their comments. If no comments from the State Governments are received within this period, it will be presumed that the State Government have no objection to the proposed application and that this will be further processed on that assumption. The D.G.T.D. should finalise its views and communicate them to the administrative Ministry within a period of 3 weeks. It will be the responsibility of the administrative Ministry concerned to send, within a period of one month of the receipt of the application, a brief note making appropriate recommendations, incorporating also the technical views of the DGTD, to the Secretary of the sub-committee for placing the case before the sub-committee.

(Contd. next page)

be no rigid or time consuming scrutiny, in each case, of the availability of fuel, power, rail transport and other facilities.

The Committee has drawn up a list of industries to be treated as 'key' industries. It has recommended that the issue of a 'letter of intent' applications for all further clearances required in the case of these 'key' industries, such as foreign collaboration approval, issue of capital, import applications, etc., should be submitted simultaneously so that they may be considered at one meeting by the Licensing sub-committee within about a month of the receipt. The Committee has also recommended that at the 'letter of intent' stage, the sub-committee of the Licensing Committee should give special attention to the applications relating to these 'key' industries, with a view to indicating if possible, the source from which foreign exchange is likely to be available. It has also been recommended that the industries included in the 'key' list should be given special preferential treatment in respect of release of foreign exchange and regarding all other clearances such as the permission for issue of capital.

In addition, the Committee has recommended that there should be a small separate cell in the Ministry of

(From Page 26.) The notes for the sub-committee of the Licensing committee to consider applications for letters of intent industrial licence should be in a form to be prescribed.

Industry, which will function as the co-ordinating Ministry, to deal exclusively with the receipt of all applications for licences under the Industries Act, and also the applications for the subsequent clearances that may be required, and for their prompt distribution to the other authorities concerned. To facilitate linking up in the various Ministries, etc., of the papers relating to a particular case, it has been proposed that each application should be serially numbered in the order of receipt in the receiving section of the Ministry of Industry, and that the endorsements on the copies to the other Ministries, etc., should bear this serial number. Each applicant is to application for purposes of future reference and all future be informed of the serial number allotted to his/correspondence on the application will indicate this reference number. In order to avoid time consuming movement of files from one Directorate to another within the D.G.T.D. the Committee has suggested that resort should be had to the procedure of meetings of all officers concerned, as far as practicable. The committee has also recommended that the main work of consideration of applications should be by a Sub-committee of the Licensing Committee constituted as follows: Secretary, Ministry of Industry, (Chairman), Secretary, Department of Economic Affairs or his representative; Secretary Department of Technical Development

or his representative ; a representative of the Company Law Division of the Ministry of Finance, Secretaries of the Administrative Ministries concerned or their representatives a representative of the Planning Commission.

GOVERNMENT'S DECISIONS ON THE COMMITTEE'S INTERIM RECOMMENDA

The Government accepted in principle the recommendations of the Committee. Under the new arrangement intending entrepreneurs are to send their applications in the prescribed forms with 10 spare copies to the co-ordination and Licensing Progress Section (C.L.P. Section) of the Ministry of Industry which will act as the coordinating Ministry for all industries. Letters of intent to be issued will indicate the period for which they will be valid. Within the period specified in the letter of intent, entrepreneurs are expected to finalise other aspects of their schemes such as foreign collaboration arrangements for import

/ If the applicant submit these applications for clearance to the authorities concerned does not make adequate progress within the stipulated time, the letter of intent would automatically lapse and requests for extension of time would not ordinarily be entertained. In the case of 'key' industries, the Government have decided that after the issue of letter of intent, all applications for subsequent clearances such as import of capital goods, approval of foreign collaboration terms and consent for issue of

capital will be considered simultaneously and therefore the industrialists should send such applications all at the same time to the C.L.P. Section of the Ministry of Industry.

FINAL REPORT OF THE SWAMINATHAN COMMITTEE:

In its final report, submitted on 18th March, 1964, the Committee has considered procedures and matters other than those covered by the recommendations in the Interim Report. The following are its main recommendations:

- i) Procedure for industries other than 'key' industries:
In respect of Industries other than 'key' industries, the committee has suggested that, wherever the availability of foreign exchange is not the main limiting factor, after the issue of a letter of intent, all subsequent clearances, such as the import of Capital goods, approval of foreign collaboration terms, and issue of capital should be given within three months from the date of receipt of the respective applications. A procedure for keeping a close watch on timely clearances has also been prescribed.
- ii) Special procedure for certain industries other than 'key' industries, which are import saving or subsequently export-oriented: The Committee has

listed a few industries in which substantial imports are at present taking place. It has recommended that the special procedure for 'key' industries should be made applicable to these industries and also in the case of any other industries which Government consider to be of special importance from the point of view of earning substantial amounts of foreign exchange through exports.

iii) Procedure relating to licensing of Raw materials/ Components: As delays in the issue of licences for raw materials affect industrial production the committee has suggested that ways and means should be found of issuing licences within three months from the commencement of each licensing period. If, for any reason, this procedure is not found practicable, in the interests of ensuring continuous production, the Committee has recommended that ad hoc licences equal to 50% of the value of the licence for the first half of the previous licensing year should be issued. For the second half the Committee has recommended that all licensees should be authorised by a General notification to

utilise at least 50% of the value of the licence for the first half and the second half, pending the final announcement of policy for the ^{is} period. The Committee has also suggested that while issuing licences for raw materials, the limitations should normally be value - wise and not quantitative, so that the licensee has the discretion to import any of the permissible items listed in the licence in such proportions as may be necessary.

- iv) Forms of application for industrial licences and licences for the import of Capital Goods: The Committee has suggested some modifications to these forms, mainly with a view to ensure simplifications in some ways. Another consideration that has been taken into account is the extent of detailed information likely to be available to the applicant at the time of his application. The Committee has recommended the submission of two applications for industrial licence, only a preliminary applications (along with the Treasury Challan) to enable the issue of a letter of intent speedily, and the other a final application at a later stage at the time of the issue of a formal industrial licence.

The consideration which has guided the committee in suggesting two applications instead of one application as hitherto is that at the time of initial application, the entrepreneur does not have a detailed, clear picture of all the items prescribed in the application form. It is not unlikely that in respect of many of the items on which information has been furnished by the Applicant in the preliminary application the position may change substantially after consultations and negotiations with foreign collaborations and machinery suppliers, both indigenous and foreign. As the Licensing sub-committee's final decision on the conversion of a 'letter of intent' into an industrial licence would depend on a correct final appraisal of all material factors, a final application is also proposed. In the case of 'key' industries, this final application is to be considered alongwith the simultaneous consideration of the subsequent clearances relating to Capital goods, foreign collaboration terms issue of capital, etc. In case of the remaining industries the final application is to be submitted either along with the capital goods application or at some other suitable point of time when all the relevant final details are available to the applicant. This final application is to be considered by the administrative Ministry concerned before conversion of the 'letter of intent' into an industrial licence.

GOVERNMENT'S DECISION ON THE COMMITTEE'S FINAL REPORT:

Government have accepted in principle the recommendations of the Committee. Government believe that it should be possible to issue licences with a period of three months from the commencement of each licensing period; every endeavour would be made to ensure this. Should there, however, be delay, government have devised a simpler alternative procedure to secure the object which the Committee had in view. Instead of issuing ad hoc licences, it is proposed to take action as under:

- (i) In the case of industries where annual licencing is done and where the raw material requirements are not likely to be met from newly developed indigenous sources, annual licences of the same value as for the previous year would be issued subject to the condition that during the first half of the licensing period only 50% of the value of the annual licence can be utilised. There would be simultaneous authorisation for the utilisation of an additional 25% from the commencement of the second half of the licensing period. The value of these licences would be suitably adjusted when the final policy for the period is announced.
- (ii) In other cases licences for the Industry's requirements for the first half year will be issued of a value not exceeding the value

licensed for the first half of the previous licensing period. The additional authorisation of 25% of the value of the annual licence for the second half of the licensing period will not, however, be made in the case of established importers.

THE RAO COMMITTEE:

* Another Committee was appointed in June 1963, by the Government of India, Ministry of Finance, under the Chairmanship of Shri V.K.R.V. Rao, to examine the procedures for the negotiation, allocation and disbursement of external assistance and to suggest measures to ensure speedier and more efficient utilisation; to examine the problems encountered by the private sector in its search for foreign technical collaboration or foreign capital investment. It may be relevant to mention here those recommendations of the Committee which concern the scope of our present paper.

There are various ways in which Private Sector secures external funds to finance the import of equipment needed by it. In the case of major projects, the private industrial units are authorised to negotiate loans direct from foreign institutions, such as the U.S.A.I.D. and the Export-Import Bank, the International Finance Corporation

* The Committee on Utilisation of External Assistance.

and the Commonwealth Development Finance Corporation of the U.K. Medium-sized projects are financed by financial institutions in India such as the Industrial Finance Corporation of India and the Industrial Credit and Investment Corporation of India, which grant sub-loans in foreign exchange to the private sector, against exchange loans available to them from foreign/the World Bank, the USAID, the German Kreditanstalt, etc. Moreover, the Private Sector can obtain foreign exchange from loans borrowed by the Indian Government from foreign Governments, by paying to the Government of India an equivalent amount in rupees.

Loans are first pledged by the foreign institutions and then loan agreements are concluded. It is only after this that orders for the specific equipment are placed. Considerable time is taken both between the pledging of loans and the conclusion of loan agreements and between the loan agreement and the placing of orders. The external loans are of two types, namely, tied loans and those loans which are available for non-project purposes. Tied loans can be utilised only for the specific project and the particular items as agreed to between the local and the foreign parties. Another form of tied loans is the one which binds the user to make use of only permitted sources of supply of materials to be financed by the assistance. The Committee is of the opinion that delays in the utilisation of external assistance can be considerably reduced if economic and technical feasibility studies for the projects are made before-hand and project reports are prepared much in advance

of securing the assistance; as this would enable immediate placing of orders. These project reports could be prepared by approved consultancy firms and should be of a high standard so as to be acceptable to the institutions providing assistance without any further reference to a firm nominated by the aid giving agency. The foreign institutions might be approached to provide loans for the preparation of these project reports, involving substantial foreign exchange expenditure, even without themselves necessarily committing to finance the project itself. It is important that the scope of the project is not changed at a later stage. The Indian Investment Centre should expand its activities and assist the new entrepreneurs to develop projects in a manner acceptable to financing institutions and foreign collaborators. However, if the loans are not tied to specific projects, the industrialist has greater freedom to utilise them speedily for his various needs. The Committee has therefore recommended that efforts should be made to secure greater share of aid in non-project form. It has further recommended that the scope of tied loans should be liberally defined to cover components and balancing plants required to be imported to manufacture complete plants in India, and the initial stock of components of machinery manufacturing industries whose equipment is financed by aid. Some projects require small amounts of equipment from third countries and in such cases the industrialists have to

spend a considerable time to locate suitable means of financing such requirements. In this regard the committee has recommended that in order to reduce delays at least 10 per cent of the aid made available for a project should be permitted to be utilised in third countries.

The Committee has observed that in the case of some units in the Private Sector though foreign exchange having been earmarked from the funds available to the Government from other Governments, the industrial unit has not been able to make use of it owing to its inability to raise rupee finance against which it can be got; and this non-availability of adequate rupee finance has operated to delay the implementation of a number of priority projects.

The Industrial Finance Corporation and the Industrial Credit and Investment Corporation of India have gone some way to provide finance for this purpose. Also their rupee resources have been augmented recently. The Committee, however, feels that such like institutional arrangements should be reviewed by Government with a view to provide rupee finance adequate enough to meet the growing needs of the Private Sector. The Committee has also recommended that larger amounts of external assistance than in the past should be made available for the import/in rupees of equipment against cash payment by the private industrial units concerned.

The Committee has appreciated the practice of setting monetary limits for the import of standard plants in respect of certain industries like Cement, Paper, Sugar or Super-phosphate. According to this practice an industrial unit is given freedom to import any items of equipment, subject to the monetary ceiling prescribed by Government, without any detailed scrutiny of items proposed for import, provided of course that no banned item is included. The Committee has recommended that this practice should be extended to as many more industries as possible. The Committee has also recommended that in the case of small industrial units with fixed assets of less than Rs.25 lakhs the detailed check of items proposed to be imported should not be carried out. The D.G.T.D. should take a broad view as to the legitimate amount of foreign exchange needed by such a unit and there should not be any detailed scrutiny of import applications from such units if the amount involved does not exceed the overall amount of exchange allotted and subject of course to banned items not being imported and the capacity as proposed being established.

The Committee is of the opinion that Government should examine the possibility of framing standard foreign collaboration terms for different types of industry. It further recommends that steps should be taken to improve the availability of information with regard to

indigenous supplies of equipment. The Committee also feels that greater attention should be paid than is the case at present to the collection of information with regard to the prices of imported equipment. Government should also take steps to publish periodically information regarding availability of credits from different sources for financing the import of equipment.

The Committee has stressed the need for a review of foreign exchange budgeting procedures. The budgeting for six month period, as at present done, does not make it possible for the industrial unit to do effective forward planning beyond the six month period. The Committee has therefore observed that efforts should be made to plan foreign exchange budget so as to cover a period of two to three years ahead. The annual licensing of the requirements of components and raw-materials of most private sector industries is subject to adjustment in value being made for the second halves of licences at the start of the second half of the year. The Committee recommends that Government should make it known to the parties concerned that the allotments against the second halves of the licence would in any event not be less than some specified percentage of the allocations in the first half year and that orders to that extent might be placed in advance. The Committee also recommends that the use of assistance of different types and of free foreign exchange should be properly coordinated.

CONCLUSION:

It is generally appreciated by the private sector that Government regulation of its activities in the form envisaged in the Industries (Development & Regulation) Act is necessary and in consonance with the needs of planned economic development. Opinions, however, differ as regards the effectiveness of administrative procedures adopted to implement the various legislations and whether the implementation process does not stifle private initiative and enterprise thereby retarding the growth of private industry. The Swaminathan Committee has done useful work in suggesting reforms in the existing procedures as to suit our present day needs. The report of the Committee deals comprehensively and competently with the many shortcomings in licensing procedures. With the help of the twin instruments of the 'letter of intent' and the sub-committee of the Licensing Committee, it has imparted much greater speed and flexibility to the machinery. The 'letter of intent', while facilitating negotiation of foreign collaboration agreements, will at the same time ensure that industrial capacity is not blocked for long because of non-utilisation of licences. The time schedule, emphasis on consultation by meetings rather than on files,

the special cell, relaxation of the requirements of indigenous clearances, etc., are all welcome changes.

All this together with the raising of the licensing limit to Rs. 25 lakhs, will no doubt speed up industrial activity.

However, the crucial bottleneck of foreign exchange and the delays attendant on it will still persist. It may also be necessary to locate the remaining defects in procedures which are remediable.

An attempt should be made for greater coordination among the various departments of Government dealing with the various aspects of industrial regulation. The possibility of one Authority examining the different aspects of an application for Licence may be examined, to reduce delays which occur when a number of Authorities carry out the scrutiny one after another. Quite often the establishment of an industrial enterprise is delayed because if industrial licence has been obtained, import licence may still be awaited, and if both have been secured, permission for Capital Issue may be pending. The possibility may therefore be considered of inviting only one comprehensive application from the Industrialist for various licences and permissions and issuing to him all sanctions in one letter covering, licence to start the Industry, authority to raise the capital subscription to shares, foreign exchange for machinery, technical-know-how, raw materials

and components. Otherwise, the question of standardisation of forms, which have to be submitted to the various authorities, for obtaining different licences, should be given serious consideration.

As the interpretation of Government policies and their implementation is done by individual officers, it is necessary that those who deal with the problems of industries should adopt a positive and helpful attitude towards the difficulties of those engaged in industry. These officers should possess requisite technical qualifications and knowledge of finance and business methods of industries. Government will do well to institute schemes for the training of these officers in trade, finance and industry.

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A REVIEW OF THE MACHINERY FOR
CONSULTATION BETWEEN THE GOVERNMENT AND PRIVATE

INDUSTRY

(With special reference to the Development
Councils).

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This paper examines two sets of machinery by which private industry (hereafter referred to as just industry) is influenced by Government. Namely, the machinery for consultation between industry and government and the governmental machinery for regulating industry. Both these sets of machinery came of age with the Industries (Development and Regulation) Act of 1951. Here, they are reviewed, and flowing from the reviews certain tentative suggestions for their improvements are put forward, which may be considered by the Conference.

The background against which the two sets of machinery have to be viewed is, of course, that of the generally accepted principles of planning and of a mixed economy. Can't these principles as reflected in the consultative and regulative machineries be made more fruitful of practical results by making their respective embodiments more and more in keeping with their true spirit?

THE MACHINERY FOR CONSULTATION:

The machinery for consultation consists mainly of

following bodies. The Development Councils, the Central Advisory Council of Industries, the Import and Export Promotion Advisory Councils, Planning Groups, the Steel Advisory Committee and the Joint Plant Committees etc. In this paper the emphasis is placed on the Development Councils as they were felt to be the most important and typical of such bodies.

PRELIMINARY OBSERVATIONS:

At the outset certain general observations may be made about these bodies. In considering their effectiveness, one should be reminded of the fact that apart from performing the function of consultation, they perform, in most instance, other functions also. Theoretically, they may be either consultative, expert or for independent administration, but in practice, often the same body performs all three functions. The Development Councils, for instance, act as expert committees with sub-committees dealing with technical problems, as well as consultative bodies. A part of the Central Advisory Council of Industries, its Standing Committee, may be considered to be an expert committee though the Council itself is almost purely advisory. The Export Promotion Councils perform functions

which are primarily administrative though they also act as consultative bodies. The multiplicity of functions, incipient in some cases, creates some problems for these bodies. Thus the considerations relating to strength of the bodies, the method of choosing members, frequency of meetings etc. are different in the case of the three aspects. Thus an expert committee is best nominated by the Government department concerned while in nominating the members of a consultative body the opinions of the associations of the owners, employees and consumers should be given due weight. Thus the multiplicity of function necessarily involves compromises in their constitution and working. These compromises should be worked out consciously and after due thought has been bestowed on them so that any one function is not unduly cramped.

The effectiveness of such bodies depends to a large extent on the attitudes towards them of the Government and Government officials, on the one hand, and of the industrialists and experts, on the other. All sides have to show dedicated interest and co-operation. The Government and its officials are at times inclined to consider industry's views as not important while representatives of industry are sometimes unable to take an objective view

of the needs of the industry and try to advance their own personal interests. For these reasons, the problems of composition of the various bodies should be given greater consideration. These problems may be described as the problems of quality, of balance, of harmony and of external prestige. In this connection much can be learnt from the actual experience of the working of each individual body. At the same time of its reconstitution the changes in composition indicated by such experience should be brought about.

DEVELOPMENT COUNCILS IN BRITAIN:

The conception of the Development Councils was largely borrowed from Britain. In Britain the habit of consultation between government and industry became firmly rooted during the war. The Working Parties set up just after the war by the Board of Trade to survey a wide range of industries were at one in recommending the establishment of representative bodies in every industry. The purpose of the Industrial Organization and Development Act (1947) was to create such bodies with authority to raise compulsory levies and to undertake a variety of technical and commercial activities. However, these bodies,

known as Development Councils, failed to enlist industrial support, and by 1960 only 2 survived. The insufficient industrial support has been attributed to the objections of the industrialists to the independent members and union officials sitting on the Council and to the payment of a compulsory levy as also to their fear that the Council might in some way give the Government a greater measure of control over industrial affairs. These inhibiting factors don't appear to be relevant to Indian conditions.

DEVELOPMENT COUNCILS IN PARLIAMENT:

In India the Development Councils were formed under the Industries (Development and Regulation) Act 1951. During the parliamentary debates on the Bill the Government members explained their conception of the Development Councils. As is known the Bill, first introduced in 1949 was considerably modified at a later stage when it was again committed to a new select Committee. The Development Councils gained prominence only in the revised Bill. These Councils along with the Central Advisory Council of Industries were to replace the originally proposed Central Industries Board, to give industry a voice on government controls. The Development Councils were also conceived as the machinery for developing

as the machinery for developing industry from within, creating pool of technical personnel, disseminating technical knowledge etc. Apprehensions about the effectiveness of the Councils were also voiced at this stage of parliamentary debates on the Bill. It was said that the Development Councils were too large to be effective, that the Government would ill-treat them as it did all the advisory bodies, that they would be just another bureaucracy link separating industry from Government, that they would be inadequate to meet the development needs of industry, that they would be used by industrialists for their own ends etc.

DEVELOPMENT COUNCILS IN PLANNING COMMISSION:

However, Development Councils were gradually launched. The Planning Commission, whose inception had an important bearing on the revision of the Industries Act had the following to say about the Councils in the First Five Year Plan. "The major, instrument envisaged under the Act for establishing the necessary liaison between the public and the private sectors and for ensuring that the development in private industries conform more and more to the pattern planned, is the institution of Development Councils. The intention is to build up machinery from within each industry to examine the problems.

of the industry and to evolve methods for securing steady improvement in standards of production, quality of services and management. The necessary administrative and technical staff for these councils will be provided by Government". With the launching of the First Plan, Development Councils were to be set up immediately for 7 industries and the establishment of Development Councils were for other industries was to be planned in the lights of experience gained with the Councils set up.

GROWTH OF DEVELOPMENT COUNCILS:

In 1951-53 Development Councils were set up for Bicycles, Sugar, Heavy Chemicals and Diesel engines. In 1955-56 Development Councils were set up for Light Electrical Industries, Heavy Electrical Industries, Pharmaceuticals and Drugs, Heavy Chemicals (Alkalies), Woolen Textiles and Art Silk Textiles. Today there are Development Councils for 19 groups of industries viz.

- (1) Bicycles, Sewing Machines and Instruments
- (2) Machine building Industry
- (3) Drugs and Pharmaceuticals
- (4) Sugar
- (5) Inorganic Chemical Industries
- (6) Non-ferrous Metals and Alloys
- (7) Paper, Pulp and Allied Industries

- (8) Leather and Leather goods
- (9) Machine Tools
- (10) Light Electrical Industries
- (11) Automobiles, Automobiles Ancillaries and Transport Vehicle Industries
- (12) Woollen Industry
- (13) Art Silk Industry
- (14) Oils, Soaps and Paints
- (15) Food Processing Industries
- (16) Heavy Electrical Industries
- (17) Organic Chemical Industries
- (18) Glass and Ceramics, and
- (19) Internal Combustion Engines, Power Driven pumps
Air Compressors and Blowers.

BASIC FACTS ABOUT DEVELOPMENT COUNCILS:

The maximum membership of these Councils is 30. A council may set up sub-committees and panels to study specific issues. The membership of these panels/sub-committees is not statutorily laid down. Members attending the meetings of the Councils and panels/sub-committees are entitled to T.A. and D.A. as admissible under the rules. No other remuneration is paid to the members. The councils consist of members representing the following interests: owners; consumers; labour and persons having technical

knowledge. The Councils, on the average meet 2 to 3 times in a year at different places in the country. The panels/sub-committees meet more often. An officer of the Directorate-General of Technical Development (D.G.T.D.)/Textile Commissioner/Ministry of Food and Agriculture is the Secretary of the Council. While representation is not given to particular States, care is taken to see that there is even regional representation on the Council. Similarly the interests of small-scale industries are also represented on these Councils. Representation on the Council is not given to Federations, Associations etc. Appointments are made in the individual capacity on the persons concerned who in the opinion of the Government would represent the interests of any of the four of individual industries categories or of the industry as a whole, by virtue of their personal qualifications, experience and merit. It may so happen that persons chosen for appointment on the Council are already members of representative associations etc. in the industry. This is only accidental. The Council consists mainly of non-officials. Official/quasi-official membership is generally as below:-

- (a) a representative of D.G.T.D.
- (b) a representative of Ministry of Industry, and

(c) a representative of C.S.I.R., I.S.I., N.C.A.E.R.
etc. are also there on some Councils.

The Councils are reconstituted every two years. Every Development Council may hold transfer property and sue and be sued.

It has been statutorily laid down that a Development Council shall prepare and transmit to the Central Government and to the Central Advisory Council of Industries, annually, a report setting out what has been done in the discharge of its functions during the preceding financial year. The report includes an audited statement of the accounts of a Development Council. A copy of each report of a council shall be laid before parliament by the Central Government. The Central Government can dissolve a Council when it thinks it ceases to be useful and its assets would go to the Central Government after liabilities are met. The Industries Act envisaged a cess of not more than 2 annas per cent of the value of the goods produced by the industries to be levied by the Central Government and to be handed over to the Council for the discharge of its functions e.g. promotion of research, improvement in quality, training etc. The cess, however, is not now being levied at all. The administrative expenses of the Councils are paid from the moneys provided by Parliament, as was

provided for in the Industries Act. The Chairman of a Development Council is appointed by the Central Government From amongst the members of that Councils and can hold office for a period not exceeding two years from the date of his appointment and not extending beyond the period of his membership of the Council. Any proposal which a Council is required to consider may be referred to all its members either at its meetings or by circulation among all its members and any proposals so circulated and approved by a majority of members by signing it shall be as effectual and binding as if such had been passed at a meeting of the Council, provided that at least one-third of the total number of members of a Council but not less than three members have recorded their views on the proposal. Other matters such as list of business, procedure at meetings, duties of secretary, authentication of act and proceedings etc. are dealt with in the Development Councils (Procedural)Rules 1952.

FUNCTIONS OF DEVELOPMENT COUNCIL:

In the Industries Act it is laid down that a Development Council will perform such functions of a kind specified in the Second Schedule as may be assigned to it by the Central Government and for whose exercise by

the Development Council it appears to the Central Government expedient to provide in order to increase the efficiency or productivity in the Scheduled Industries, to improve or develop the services, that such industry renders or could render to the community or to enable such industry or group of industries to render such service more economically. According to the Second Schedule the functions which may be assigned to Development Councils are 1) recommending targets for production programmes and reviewing progress from time to time; 2) suggesting norms of efficiency, improving quality, reducing costs etc.; 3) better marketing; 4) undertaking enquiry as to materials and equipment, methods etc.; 5) training of persons in the Industry; 6) retraining of retrenched personnel; 7) promoting scientific and industrial research, in industrial psychology, etc.; 8) standardizing of products, accounting methods etc; 9) investigating possibility of decentralizing stages and process of production with a view to encouraging the growth of allied small-scale and cottage industries; 10) advising on any matter relating to the industry (other than remuneration and conditions of employment) as to which the Central Government may request the Development Council to advise etc.

In order to find out how the Development Councils worked in practice and to invite comments on their working, the Indian School of Public Administration issued a questionnaire to about 300 members of the various Development Councils. The response, as responses to questionnaires go, was good and the School received about 80 replies. The following remarks on the working of the Development Councils and the suggestions for their improvement are largely based on these replies though they are also a result of discussions with the officials of the D.G.T.D. and the Industry Ministry and others.

GOVERNMENT AND DEVELOPMENT COUNCILS:

The delay on the part of the Government in acting upon the suggestions and recommendations of a council depends on the nature of these recommendations. Thus, some have to be referred to other Ministries and this naturally takes time. The recommendations of the Councils accepted by Government depends on how many of them are reasonable and practicable and of general benefit. The non-financial recommendations are taken up immediately by the Secretary to ensure the smooth working of the industry. The Government attitude to a Council also depends on the Chairman, his status and influence, besides ability to handle. It is felt by some that there is no

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effective machinery for circulating the suggestions or for ascertaining to what extent the suggestions are accepted or implemented. Suggestions rejected by Government should be passed back to the Councils so that they can reconsider their views. In certain Councils, as only general topics are discussed, rarely, if ever, the government is called upon to accept its recommendations. Government reactions to suggestions for modifications of policy is made known after a very long time. Generally it was felt that the Government takes a long time to act on the recommendations of a council. Though there were also many who said the Government reaction to recommendations should be made known within within 2-3 months. The Government is now perhaps not as attentive to the Councils as it should be. It should attach more weight to the Councils - so it was felt by some.

OWNERS AND DEVELOPMENT COUNCILS:

The attitude of owners to the Councils was considered to be enthusiastic by some and lukewarm by others. Only three people thought the owners were unenthusiastic. The interest of the owners is often spasmodic - sometimes when they are agitated by certain problems they become very enthusiastic about the Council, but at other times show little interest. Perhaps the owners do not sometimes

abide by the suggestions of the Councils because sometimes the industry is not able to speak with one voice, owing to divergence of opinion. Some of the owners attach much weight to the recommendations and meetings of the Council, while others do not. The reaction of a owner to a recommendation depends to a large extent on how it affects him. Some suggestions are sometimes made to owners ahead of possibilities and planning. It was felt in certain quarters that the owners are not sufficiently responsive because the decisions of the Councils are not known to industry except what comes in the newspapers. Some felt that owners were insufficiently responsive because of their selfishness, vested interests and indiscipline. While this may be too exaggerated a view it may be advisable to see if representatives of owners are competent to look after the interests of their industries rather than of their companies interest only. Some have expressed the opinion that the owners are unresponsive because they feel that their Council is too weak and impotent

EMPLOYEES AND CONSUMERS AND DEVELOPMENT COUNCILS:

It was largely felt that the interests of the employees and consumers was adequately represented in the Councils. Some complained that the quality of the representatives of employees and consumers is poor. Remarks

such as "what is the point of having representatives of employees on the Councils?" and "Employees at meetings I've attended have not said a word", were made. However, representatives of employees on the Councils are necessary so as to enable labour to gain an insight into the problems of the development of an industry so that they begin to appreciate the need for certain changes even though these changes may not serve their immediate interests.

MEETINGS OF DEVELOPMENT COUNCILS:

Though there were many who thought that the number of meetings of a Council as adequate, those who thought that the number of meetings were inadequate were in a definite majority. This lack of uniformity in the response to the question of the adequacy of the number of meetings, as the lack of uniformity in responses to other questions perhaps indicates that there is difference in the working of the different Councils. Some suggested that they should meet once every quarter, others that they should meet 4 times a year while still others thought they should meet 6 times a year, also at each meeting, to enable more members to participate, there should be more sessions. Since the proclamation of the Emergency,

it appears, that the number of meetings have been reduced still further. This has presumably been done for reasons of economy but as someone pointed out "to my mind, the Councils should be in continuous session during such times, because in times of stress, the co-operation between Government and industrialists is most vital and must be obtained". All the Councils should meet at different important industrial centres. The dates of meetings should be fixed well in advance. It may also be worthwhile to circulate the proposals amongst the members before they are placed before the Councils.

SECRETARY OF A DEVELOPMENT COUNCIL:

It has been suggested that for each Council a full-time officer be appointed to do the Secretary's work, as also that each Council should have a staff of its own. At present the Secretary is usually a Development officer or an Assistant Development Officer who does the Secretary's work in addition to his other duties. He is usually over-worked and at present there is often of reports and agenda-papers and despatching delay in compilation/them etc. However, there is one great advantage in having a Development Officer or his Assistant as the Secretary in as much as he lends to the Secretary's posts a prestige which works wonders, especially with the owners. A whole-time Secretary

would not have this prestige. So perhaps it would be best to continue having a Development Officer or his Assistant as the Secretary though he should be provided with liberal secretarial assistance.

NOMINATION OF MEMBERS OF DEVELOPMENT COUNCILS:

The present system of nomination was generally felt to be satisfactory. Though suggestions were also made that representation be given to leading companies associations of owners or that they may be asked to suggest a panel of names from which the Government could nominate; that nomination be done by a Committee consisting of representatives of the Government associations of owners and major units; that representation should be industrywise, statewise and associationswise that nomination should take place after closer consultation with the proposed chairman. Perhaps representatives from the State Governments like Directors of Agriculture and Industry should also be nominated. More representatives from consumers' associations should be nominated. More people should be nominated from professional bodies, interested in economics, business, science and technology of industry including those from universities. Some were of the opinion that more representatives from the

small-scale sector should be nominated. It has been suggested that in the Development Council for Food Processing Industries there should be a representatives each from Central Council for Food Standards and manufacturers of tin containers while in the Council for leather and leather goods representatives of rawhide merchants and leather dealers should be nominated.

CHAIRMAN OF DEVELOPMENT COUNCILS:

Whether a Council works successfully or not depends to a large extent on the Chairman. There is often a tendency among owners to ventilate individual 'grievances'. To remind members that they are not to concentrate on the trees but on the wood, a strong Chairman, fully conservant with the spirit of the Councils, is needed. It has been suggested that the Chairman should be of the joint-secretary level or a top industrialist and that he should be a highly experienced expert. An important official as the chairman though desirable from certain pints of view has certain drawbacks. It is desirable in as much as the would have a great deal of prestige, would be able to focus attention on just the problems on which the industry, would be able to dispose off many suggestions on the

spot and would help liaison between government and the Council. On the other hand it is undesirable in as much as some times official chairman make meetings of the Councils just on occasion for monotonously reiterating certain pet theories of the Government and the members are likely not to feel free to express their views and discuss the problems. The Government's view at present appears to be to have a non-official as chairman and an official as the secretary. A Chairman should be in a position to invite ad hoc opinion from outside the Council. The Government should take into confidence the Chairman of a Council in regard to what it proposes to do about the particular industry or industries.

FINANCES OF DEVELOPMENT COUNCILS:

The Development Councils appear to be plagued by the lack of finances. As pointed out, especially after the Emergency, they appear to have fallen victims of the increasing Governmental consciousness of the need for economy. The proposal to give each Secretary more secretarial staff, as also some other proposals, will mean that more money may be needed by the Councils. In this connection serious thought may therefore be given to the original scheme of a cess to finance the Development Councils

INFORMATION TO MEMBERS OF DEVELOPMENT COUNCIL:

It was surprising to find that many members of the Councils had little knowledge of the aims and objectives of the Councils. Their contribution to the Councils is likely to be either total silence or uninformed valubleness. Therefore a copy of the Sections 5,6,7, 8 and 9 of the Industries Act, the Second Schedule along with instructions given to the Councils under the Schedule and the Rules should be supplied to every member at the time of appointment so that a clearer understanding of his function and limitations could be obtained straightaway. It would be helpful if all the bodies which are dealing with planning, recommendations of planning and decisions of planning, the statutes and the procedures regarding the flow of data and recommendations between these bodies are made known to the members of the Councils.

EFFICIENCY IN CARRYING OUT OBJECTIVES OF DEVELOPMENT COUNCILS

Almost everyone agreed with the objectives of the Development Councils thought they were comprehensive or more or less comprehensive. Some, however, pointed out that they were too comprehensive, prevasive and

impossible to carry out. Some suggestions were offered to make the realization of some of the objectives more feasible and efficient. A small body of experts either from among the members or from outside should regularly visit factories and report to the Council regarding improvements in methods of production, quality of the products produced and programme of development for each unit. The Council should make recommendations on the basis of these reports for the consideration of the government and the industry. In this connection the Council could study the technical and economic aspects of the industry in comparision and economic aspects of similar industries in advanced countries so that the Council becomes aware of the direction in which the methods of production should improved. The Councils may modify the recommendations in the light of reactions of the Government and Industry. A Council should make periodic reviews of the progress of the industry and various suggestions from the members for solving their difficulties, and such reviews should go to the Planning Commission for their close scrutiny. The scope of the objective be reduced, it was suggested, so that there is no overlap of functions with other bodies. For example, at present in the case of Development Council

for Light Electrical Industries, the functions enumerated cover such a wide scope that it would be virtually impossible to cover all the so adequately; and, secondly, there is overlapping between these functions and those of I. S. I., National Productivity Council and even of certain sub-committees of the Planning Commission.

When formulating recommendations all the aspects supporting the recommendations should be investigated by the Council and mentioned. For instance, if a production target is recommended, the requirements of this target in foreign exchange for capital goods, for raw materials, for trained personnel of certain categories, of power etc. should be listed in order to enable the Government when receiving the recommendations and consolidating it with recommendations received from other councils to draw the vital result whether the consolidated, result is desirable, workable or not in view of the resources of the country etc. and to enable the Government, in case of reply would be in the negative, to feed back the recommendations to the respective Councils with instructions to alter them in a certain direction. For instance, if foreign exchange consumption would be the reason for reduction, a Council could be

instructed to reduce the same (for instance: by way of reducing production level or by planning and increased local efforts etc.). In this way, we will achieve not only that the recommendations become more realistic and have a better chance of being achieved or implemented, but also that the Councils become living forums of discussions with a sense of responsibility for the recommendations they produce. It would mean, however, that the Councils be provided with more facilities for collecting statistical data etc. The enlarged staff of a Council, as envisaged above, should also include a statistician - at least one statistician, with mechanical equipment, for two or three Councils. Finance permitting the Councils should start endowment funds for research. It should involve the national laboratories, universities etc. in conducting research on industrial problems.

MEMBERSHIP OF DEVELOPMENT COUNCILS:

Most of the members thought that the present membership of the Councils (ranging from 22 to 30) as adequate. Some did recommend increase. It appears that many industrialist would like to be members of the Councils but cannot because of the limitations on the

membership. Their eagerness to be members, it appears, is because they get important information at the Council meetings. However, some others felt that the membership was too large for useful discussion and purposive action and recommended a reduction. It was also suggested that 'observers' and 'invited' persons be not admitted as this makes the congregation too large and a lot of personal talks result over the table, which make the proceedings less serious. On the other hand it was suggested that important government officials and even Ministers be invited to attend the meetings of the Councils. While a stricter criteria may be applied for calling 'observers' it is felt that an important part of the usefulness of a Council springs from the opportunities it provides for different people to exchange views on the different aspects of the industry and this should be encouraged. It may be useful if a representative of the Planning Commission is associated with each Council. It was felt by some that one Council for a group of industries, becomes too large and unwieldy and should be broken up into different Councils for each particular industry in the group. Thus instead of having one Development Council for instruments, Cycles and Sewing Machines there should be

three separate Councils, one for each of the three industries. A separate council appears necessary especially for the Instruments industry whose problems are quite complicated and of a special character.

PANELS OF DEVELOPMENT COUNCILS:

At present some panels of some of the Councils are working well while others are not. Their composition may be made more representative, the same members should be found on every panel, they should meet more often and some of the senior officials of the Government may be associated with the panels so that their deliberations become more realistic and fruitful. More publicity should be given to reports of the panels.

RECONSTITUTION OF DEVELOPMENT COUNCILS:

The frequency of reconstitution of the Development Council appears to be slightly too rapid. At present they are reconstituted every two years. To enable members to settle down to face problems they may be reconstituted after 3 - 4 years. As far as possible, useful members should be renominated.

GENERAL:

In the case of some of the Councils the Secretarial work of the D.G.T.D. is satisfactory. The Councils appear to be primarily forums for discussions of problems of industry and airing views on them though some Councils are also means for bringing pressure on Government over particular measures and for disseminating information. A feature of similarity among the Councils is that all appear to discuss and suggest targets for production. Discussion also takes place on raw materials and technical aspects and to a lesser extent on exports, taxes, prices etc. However, the Councils generally discuss only certain technical aspects of exports as well as of export incentives as are referred to it by an Export Promotion Council. For Example, the Export Promotion Council for light electrical industries referred to the Development Councils the problem of darkening ends of fluorescent tubes, which was adversely affecting the export of the items. The suggestion of the Estimates Committee that in the case of well-developed industries the Councils be replaced by associations of industries did not find favour with most members.

On the whole, it appears, that the Development Councils are fairly useful and have got been disappointing. However, much remains to be done to make them more useful and important and to make them more able to really help the industries. All the parties concerned should attach more weight to the Councils. There appears to be a widespread feeling that in the Development Councils there exists a potentially useful machinery but which is at present being allowed to rot. The Conference, may therefore consider improving the working of the Councils on the lines mentioned above.

Many of the approaches and considerations relating to Development Councils can be applied to other bodies for consultation. Here, some of the other bodies, mentioned at the beginning, are briefly reviewed.

CENTRAL ADVISORY COUNCIL OF INDUSTRIES:

The 1951, Industries (Development and Regulation) Act said "for purposes of advising it on matters concerning the development and regulation of scheduled industries, the Central Government may be notified, order, establish a Council to be called the Central Advisory Council". It consists of a Chairman (who has been the Minister for Commerce and Industry) and such other members, not

exceeding 30 in number, all of whom are appointed by the Central Government from among persons, who are in its opinion capable of representing the interests of (a) owners of industrial undertakings in scheduled; (b) persons employed in industrial undertakings in scheduled industries; and (c) consumers of goods manufactured or produced by scheduled industries; (d) such other class of persons, including primary producers as in the opinion of Central Government aught to be represented on the Advisory Council. The Act laid down that the term of office of, the procedure to be followed in the discharge of their functions by, and the manner of filling casual vacancies among, members of the Advisory Council, shall be such as may be prescribed. Thereupon the Central Advisory Council (Procedural) Rules were framed in 1952. Among other things it mentions that the period of office of a member shall not be more than two years, that proposals can be considered at meetings or by circulation, that a member can suggest a subject for discussion after giving 15 days clear notice that there will be quorum with 9 members present and that the Council can appoint committees.

THE FUNCTIONS OF THE CENTRAL ADVISORY COUNCIL:

The Act says that the Central Government shall consult the Advisory Council in regard to (a) the making of any rules, other than the first rules and may consult the Advisory Council in regard to any matter connected with the administration of the Act in respect of which the Central Government may consider it necessary to obtain the advice of the Advisory Council. Usually the Council will discuss policies and problems of industry as a whole. The meetings begin with the Chairman's address who reviews the general economic situation and industrial development and which starts a general discussion on these two topics. The specific problems of some important industries are also reviewed. The reports of the Development Councils are placed before the Council. At the meetings there is a good exchange of views and Government appreciates industry's difficulties better and vice versa. The discussion is "very frank, free and cordial". The Council's deliberations and recommendations are closely connected with the day to day contact between Industry and Government i.e., through notes and memoranda exchanged between Government and business and industrial associations as the problems

discussed with the help of these two contacts are largely the same.

MEETINGS OF THE CENTRAL ADVISORY COUNCIL:

15 meetings of the Council have been held so far.

In 1962, 2 meetings were held and in 1963, 1 meeting (?)

At the 13 th meeting of the Council it was decided to hold at least one meeting once every six months.

It was felt that "meetings held at such short intervals will enable us to reassess developments as they take place and deliberate upon the appropriate measures suited to the needs of developing situations". As indicated above this intention does not appear to have been followed.

COMMITTEES OF THE CENTRAL ADVISORY COUNCIL:

The Council has two main committees - the standing committee and the reviewing sub-committee.

The Standing Committee consists of members nominated by the Minister to discuss problems at more frequent intervals.

It is a smaller compact body and can meet more frequently.

The reviewing sub-committee is nominated by the main Council and reviews licensing by the Licensing Committee under the Industries Act.

NOMINATION:

The reviewing sub-committee is constituted under Rule 18 of the Registration and Licensing of Industrial Undertakings Rules, 1952. It held 3 meetings during the period 3rd April 1960 to 14th February, 1961.

As mentioned above all the members are nominated by the Central Government. The procedure followed in the nomination of the labour representatives is as follows. The Labour Ministry decides the Labour organisation to be represented. The Industry Ministry then writes to the organisation asking them to suggest suitable persons for nomination to the Council, who are then formally nominated. The other members are nominated at the Minister's discretion though care is taken to see that there is adequate regional representation and that there is a representative each of the Federation of Indian Chambers of Commerce and Industry and the Associated Chambers of Commerce of India.

COMPARISON WITH THE COUNCILS BEFORE THE 1951 ACT:

The Central Council of Industries before the 1951 Act had a somewhat different composition. It had representatives of the State Governments. The rules

provided for the representation of important business and industrial organizations like the FICCI, ACCI and the AIMO. There was also a more detailed enumeration of the function of the Council.

POSSIBLE LINES OF REFORMS OF CACI:

In the U.K. the body corresponding to the Central Advisory Council of Industries is the National Production Advisory Council on Industry. In 1959 certain reforms were introduced in this body to make it "a more useful, a more flexible and a less formal body". Thus it was agreed that so far as possible the government should in future consult the Council on industrial matters before policy was determined and that departments should be encouraged to submit detailed papers for joint discussion so as to make it more realistic. Measures along these lines may be considered for the Central Advisory Council of Industries. It could also meet more often and at every meeting have more sessions. It may help the Continuity of the discussions if at each meeting the Ministry presents a Statement mentioning what is being done about the commonly agreed suggestions made at the last meeting. The standing committee could perhaps be reconstituted into a really effective liaison body.

CONSULTATIVE BODIES FOR EXPORT & IMPORTS:

The principal consultative bodies for imports and exports are the Import Advisory Council, the Export Promotion Advisory Council and the Export Promotion Councils.

EXPORT PROMOTION ADVISORY COUNCIL COMPOSITION:

The Export Promotion Advisory Council was set up by a resolution of the Ministry of Commerce and Industry. It is re-constituted every two years. The composition is as follows: its chairman is the Minister of Commerce and Industry, and the vice-chairman the Minister of Commerce; there are three Ex-officio members - the President of the Federation of Indian Chambers of Commerce and Industry or his nominee, the President of the Associated Chambers of Commerce of India or his nominee and the Secretary-General of the Federation of Indian Chambers of Commerce and Industry; there are 32 others members nominated by the Government of India; there are the Secretary and Additional Secretary, Ministry of Commerce and Industry, the Chief Controller of Imports & Exports and the Director, Export Promotion is the member-secretary. The Chairman may specially invite other persons connected

with the export trade or interested in commodities' with an export potential. In August 1963, the life of the existing Council was extended till the end of the year. While, in time with governmental reorganization the Minister of International Trade was made the Chairman and the Secretary, Ministry of International Trade, the Vice-chairman. The Secretary and Additional Secretary, Ministry of Commerce and Industry were replaced by the Secretary, Ministry of Industry and the Joint-Secretary (Export Promotion), Ministry of International Trade has become the Member secretary.

IMPORT ADVISORY COUNCIL-COMPOSITION:

The composition of the Import Advisory Council is similar to that of the Export Promotion Advisory Council. The Chairman is the Minister of International Trade, the vice-chairman is the Secretary, Ministry of International Trade and the Member-secretary is the Chief Controller of Imports & Exports. There are 21 members nominated by the Government of India and the Secretary, Ministry of Industry also sits on the Council. The Council is usually constituted for a term of two years. The Chairman may constitute committee on Sub-committees of the Council to advise government

on specific problems relating to imports and distribution of goods and associate with them additional members as may be necessary, representing industry, trade and consumers.

FUNCTIONS AND WORKING OF THE TWO COUNCILS:

The functions of the two Councils are to advise the Government on import/export policy and procedure with special reference to export promotion. These two Councils have been meeting jointly since 1962. It is proposed to reconstitute them shortly into a single body. Generally at the Export Promotion Advisory Council meetings after the Chairman's opening address there used to be a general discussion on export-promotion and export policy during with particular reference to the suggestions received from the members. Similarly at the Import Advisory Council meetings, after the Chairman's opening address there used to be a discussion on import policy and licensing procedure with special reference to the policy for the current period. A similar procedure is now followed at the joint meetings. Before the joint meeting the two councils used to meet about twice a year. The first joint meeting was held in March 1962. Such a joint meeting

was considered useful since it was observed that the subjects before the two Councils were getting more and more inter-related. In 1958 a standing committee of the Export Promotion Advisory Council was set up, consisting of 10 members , to meet more frequently to advice Government on day to day problems of export trade. In the administrative reports of the Export and Import Trade Controller's Organization, in reference to the two Councils it is said that the suggestions made at their meetings were duly considered and, wherever, possible, incorporated in policy.

POSSIBLE LINES OF REFORM:

The Mudaliar Committee on Trade Policy in its questionnaire circulated among various persons and bodies connected with foreign trade, asked some questions on the machinery for consultation between government and trade and industry in the field of imports/exports. In reply to these questions the All-India Importers Associations were of the opinion that the meetings of the Imports Advisory Council and the Port Import Advisory Committees were very useful. It however, suggested that the scope and functions of the Port Committees be expanded, that they should meet .

more often and that suggestions should be communicated to the Central Government for suitable action while formulating import policy for the next licensing period.

It also suggested that the existing consultations should be expanded and improved upon. The All-India Exporters' Chamber were of the opinion that "the Export Promotion Advisory Council and Port Export Promotion Committees serve a useful purpose for eliciting opinion but the discussions held at the Export Promotion Advisory Council meetings at New Delhi are not sufficient to do justice to the various items of exports. The Export Promotion Advisory Council should therefore extend its session to more than one day and discuss commodity-wise the export problems with a view to elicit information for further promotion of Exports". It would also be worthwhile to examine the possibility of prior discussions trade-wise with the officials of the Ministry of International trade.

The effect of the reorganization and combination of the two Councils remains to be seen. Perhaps the suggestions made at the meetings need to be followed up with more determination. This may be facilitated if the agenda is made more elaborate with standard items, which may ensure continuity and effective action.

A suggestion - action taken may also be circulated by the secretariat of the Council.

EXPORT PROMOTION COUNCILS:

There are, at present, 13 Export Promotion Councils. An important function of these Councils is, to act as machinery for consultation between government and industry, in regard to export promotion. The Councils being a forum of leading, knowledgable, progressive minded exporters and representatives of the central and State Governments and growers' nominees; has the advantage of being able to focus attention on the problems from the point of view of the exporters, of government officials and ^{of} the growers and so the final recommendations are apt to be very balanced and very objective. Anyone who is a dealer or a manufacturer of a particular good is entitled to become a member of the Export Promotion Council for that good. These members are like the shareholders of a company. Each Council has a Board of Directors. There are 2 government nominees, officials, on the Board, usually the chairman and the vice-chairman. There are about 7 other members on the Board, elected by and from among the general members. Apart from keeping in touch with the contact

with Chambers of Commerce etc., the Councils are expert bodies with regard to production, quantity available for export, market research, publicity and propaganda abroad about the commodity with which it is concerned and is in a position to advise the government on production, export possibilities, trends in different markets, short-comings that the Indian commodity required to overcome these handicaps and shortcomings to make experiences, competitive character of the commodity, steps the commodity competitive. The advice tendered by the Councils to government is usually both on questions of broad policy and on changes in administrative details, though advice is given mainly on the latter subject. The Councils convey their advice usually both through the Government officials on its committees and by directly approaching the ministry concerned. Sometimes the government takes the initiative in asking for advice and sometimes the Councils volunteer in advice on their own, though more usually the Councils take the initiative in giving advice. Most of the suggestions of the Councils are accepted by the Government though it appears to take a rather long time on acting on them.

POSSIBLE LINES OF REFORM:

It usually takes a long time for government to act on suggestions when these have to be referred to different departments of the government or to different ministries. Hence the procedure for inter-ministerial consultations on these matters should be greater co-ordination at the higher levels of the government. It would perhaps assist matters if the officers of the Government concerned with export promotion have an opportunity to work in the Export Promotion Councils and vice-versa. In view of the discrepancy in the scales of pays the government will have to examine the position in regard to the salaries understanding between the officers of close understanding between the officers of the Government dealing with export promotion and the officers of the Export Promotion Councils. The Chairman, secretary and two members of a Council should be given an opportunity of a meeting with the "Economic Secretaries" or the Economic Sub-Committee of the Cabinet, at least once every year. The question of appointing a Government representative of a more senior rank on the Committees of the Councils, may be considered. So that the Councils

discussions could be suitably guided from the point of view of the government's thinking as well as the decisions of the Council's suggestions could be taken more expeditiously. At present the government representatives is the rank of

The Government should insist upon the Councils producing a programme of work and corresponding budget of income and expenditure. A time schedule for implementation should also be insisted upon. The Government should also conduct a performance audit both in respect of the operations of work done and expenditure incurred.

Otherwise, the Councils should be given freedom of action.

These suggestions are mainly based on the replies to the questionnaire on the working of the Export Promotion Councils sent out by the Indian School of Public Administration to various people connected with these Councils and with export promotion.

The All-India Exporters Chambers has suggested changing the constitutions of some of the Councils as at present they virtually exclude the voice of exporters from the deliberations of such Councils. It has also suggested that each Export Promotion Council may form Regional Sub-Committees on 'Country-wise' basis and

these sub-committees should be formed of such members who have dealings in the commodities exported to those countries. Such Zonal sub-committees with experienced businessmen will go a great way in making useful suggestions which are likely to step up exports of various commodities.

PLANNING GROUPS:

The formal machinery for consultations between Industry and Government in the process of the formulation of the Five Year Plans is the Planning groups. To help in drawing up a plan, panels for various subjects are constituted, such as a Health Panel, Land Reforms Panel, Economists' Panel etc. In regard to drawing up a plan for the various industries a distinction has to be made between key industries and other industries. Key industries are those which produce basic capital sector is active - such as steel, fertilizers, heavy machinery etc. For these industries separate planning groups are constituted. The members of the Planning groups are as follows:- the secretary of the administrative ministry concerned is the chairman; there are representatives of related ministries, members of the planning commission and representatives of the private and public

sectors. The membership of the planning groups is between 15-25 and about 25% of these are from the private sector. The convenor of some of planning groups is the Planning Commission and of others the administrative ministries concerned. There are 8 planning groups, those for fertilizers, basic chemicals, steel, heavy machinery, light engineering industries, ferrous metals, ship-building and textiles. These planning groups assess the likely demand for the products of the industry concerned; how this demand should be met; what should be the actual production items; how the production should be phased; where should the new units be located; what would be the financial resources needed and how they should be met etc. The private sector says how it can help in all this and in that light a plan for the industry is drawn up. While these groups are most active at the time when a Plan is being formulating, the Planning Commission generally keeps in touch with the members during the execution stage. The working procedure of the groups lays is as follows: At its initial meetings a groups lays down general lines of policy. These are followed up by special studies being undertaken in regard to different aspects by sub-committees, the administrative department in the government or by other agencies such as the National Council of Applied

Economic Research, Dastur & Co., etc. The results of these studies are brought out in the form of papers (such as on the estimates of costs of setting up a new steel plant). These papers are discussed at further meetings of the groups and modifications in policy, targets etc. are made, if necessary. If an industry concerned has a Development Council, then some of the members of the Development Council, then some of the are taken into the Planning group. In the case of basic chemicals, heavy machinery, light engineering industries, ferrious metals and textiles there are both planning group s and Development Councils.

In the case of 'other Industries' (other than the key industries) the private sector assumes such greater importance and the Development Councils play an important part on plan formulation. The Development Councils are asked to work out a development programme and in doing so are given guidance (e.g. by supplying relevant data) by the Planning Commission. The recommendations of the Development Councils go first to the ministries concerned which forward them to the Planning Commission with their comments. The Planning Commission makes modifications, if necessary, with a view to co-ordinating and balancing the plans of the different industries.

The Planning Commission also covers industries not covered either by the Planning groups or the Development Councils. There are about 25-30 such industries - railway rolling stock, refractories, salt, jute etc. Planning Commission officials are invited to attend meetings of the Development Councils when needed, so that there is a more direct contact between the two. After the Planning Commission receives the Development Council's targets with the Ministries' suggested modifications, the Planning Commission (through member-industry) sometimes meets the Development Council members before the plans are finalized. Also, before the finalization of the Plan, the Planning Commission consults F.I.C.C.I. and other private sector bodies. Even after the Plan has been finalized the Planning Commission consults with the FICCI. After drawing up the Draft Plan, Comments on it. are asked for, which gives Industry another opportunity to express its views.

The working of sub-groups of the planning groups (e.g., on technical education etc.) appears to be unsatisfactory, and they appear to meet very infrequently. Time limits may be fixed for the implementation of the decision of the planning groups.

STEEL ADVISORY COUNCIL:

The Iron and Steel Advisory Council is another body on which Government and Industry representing sit and discuss problems and exchange views on them. The Council was set up to advise on all matters of a general character relating to iron and steel, and in particular to problems pertaining to production, distribution, transport, research, import and export. The composition of the Council is as follows:- the Chairman is the Minister for Steel, Mines and Fuel, there are two ex-officio members - the President of the Federation of Indian Chambers of Commerce and Industry, (F.I.C.C.I.) or his nominee and the President of the Associate Chambers of Commerce of India, or his nominee; twenty-two members to be nominated by the Government of India who are, in its opinion, capable of representing the interest of producers, consumers, the trade and the mining and allied interests; eight representatives of the concerned Ministries of the Government of India; Secretary, Department of Iron and Steel, and the Iron and Steel controller (?) who is the member secretary. The chairman may also specially invite any other person or persons to represent the Iron and Steel Industry or



trade or consumers to attend the meetings of the council. The Government Resolution by which it was formed says that the Council will meet at least twice a year. The Council is constituted for a term of two years.

At each meeting of the Council the Government produces a separate note giving its reaction to points raised at the previous meeting. So far 5 meetings of the Council have been held. It was first constituted in 1959 and reconstituted in 1961. The Council has a Standing Committee under the Chairmanship of the controller to deal with any sudden, small problem, ad-hoc committees are formed wherever necessary. Agenda papers etc. are circulated at least 15 days before the meeting.

The overall performance of the consultative machinery in India has been satisfactory though with improved organisation and procedures it could become a more effective instrument in promoting trade and industry. The Development Councils are typical in these respects. Some of the successful development Councils such as the one relating to the Alkaline groups of industries, have helped to lift the veils of secretiveness, mutual suspicions, rivalries and taboos behind which inefficient

techniques and outmoded practices were lurking. But efficiency studies and intra-industry consultations sponsored by the Development Councils have helped a great deal in pulling down these barriers and in improving the techniques and methods of production. Credit should also be given to these councils for sponsoring a study team to Japan which has led to the establishment of the Kotah Plant with Japanese collaboration.

Of course, every council cannot boast of such success stories. Perhaps the following changes in the structure and procedures governing the Development Councils might lead them towards improved performance.

1. Though membership should continue to be on the basis of personal knowledge, experience and integrity, more persons belonging to small-scale industries sector, trade unions, trading and professional groups may be brought in. When important issues involving various departments in the Centre or Centre-state relations are scheduled for discussions, Ministers, or heads of Departments or Directors of Industries or Members of the Planning Commission, as the case may be, may be invited to observe the proceedings so that the follow up actions could be taken promptly and with understanding. Only quick and prompt action can inspire confidence amongst

members of the Council. Whenever the decisions of the Council cannot be implemented, such decisions accompanied by adequate explanations should be communicated to the Council concerned within a period of two months so that in the subsequent meetings the decision of the Government could be reviewed with sympathy and understand.

2. Membership in the Development Councils should normally be for a period of four years. New members should be promptly be informed about the aims, objectives and functions of the Council. This would encourage maximum participation and minimum dissipation amongst members.

3. There should be at least one meeting in a quarter. More frequent consultations will be fruitful during critical periods. Meetings should be held with adequate preparation. Agenda should be circulated sufficiently in advance so that the participation and involvement of the members could be more real and purposeful.

4. Much depend on the personality and dynamision of the chairman who should ensure the freedom of opinion of the individual members while at the same time display a good deal of initiative and imagination. Only a non-official

Chairman could fulfil this role without any embarrassment about possible opinions or resolutions which might come into conflict with those held officially. But Government officials at the rank of senior Industrial Advisers should be invited to observe the deliberations so that they may be apprised with the feelings of the Council on specific problems and issues. With proper leadership the Councils may be able to organise inter-plant visits and study teams in order to promote efficiency and improvement of methods.

5. The decisions of the Councils should be promptly communicated to the various firms and association in an industry to evoke sufficient response from them. Periodic reports and reviews may also be circulated amongst the members. The Councils may also collect the requisite data for the studies that might be undertaken by the study groups or sub-committees. Such an increase in the secretarial work would necessitate a full-time secretary with adequate staff and statistical assistance.

6. Full time secretaries with clerical and statistical assistance will involve more expenditure on the servicing of the Councils. Such an expenditure may be met out of an industrial cess along the lines contemplated at the inception of these Councils.

TOP MANAGEMENT STRUCTURE

Main Conclusions for Discussions

- 1) An analytical and comparative study of the operational effects of different types of top management structure that have been used for different public enterprises in India should be undertaken. Such a study should be undertaken by the Institute and the Government of India may be requested to extend full co-operation in its conduct.
- 2) It is essential to have an evaluation-cum-consulting unit in Government whose function it will be to examine the efficiency of operation of different public enterprises, to study various special problems facing them and to make recommendations for improvement. The unit will have to build up a core of expertise and also use the services of outside experts for particular studies. Its detailed reports should be confidential; it may also submit a general report which will be placed before Parliament. The unit may be located outside the controlling Ministries in the Cabinet Secretariat, the P.M.'s Secretariat or the Planning Commission.



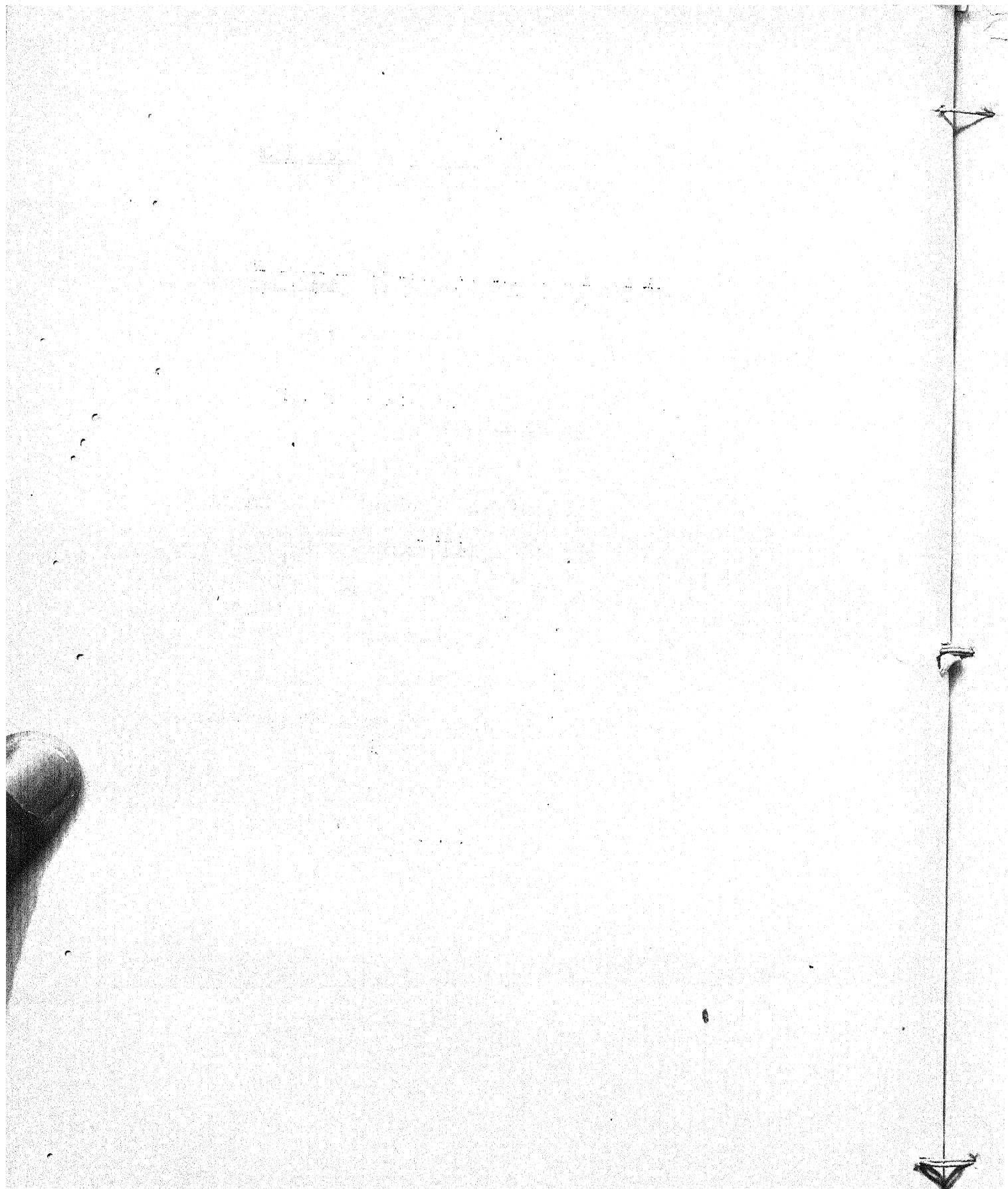
INDIAN INSTITUTE OF PUBLIC ADMINISTRATION
(Conference on Administrative Reforms)

Report of Group II (Industrial Administration)

October 22, 1964.

M e m b e r s

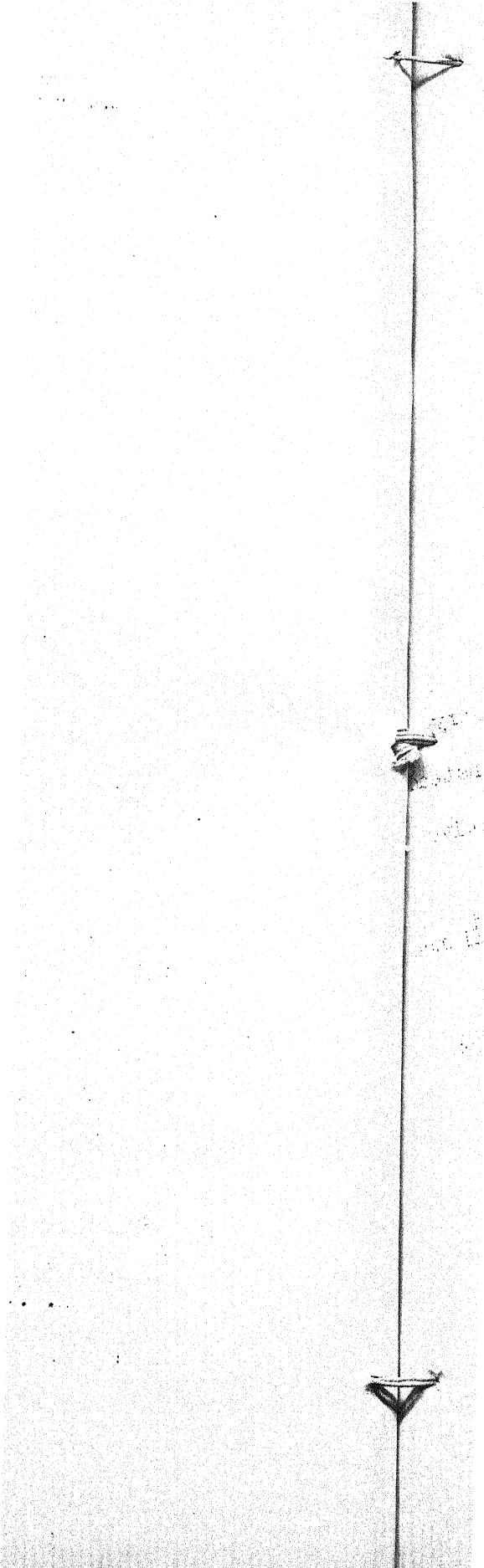
1. Shri D.L. Mazumdar (Chairman)
2. " Ajit Mazoomdar
3. " J.M. Shrinagesh
4. " H.K. Paranjape
5. " P.C. Mathur
6. " M.J.K. Thavaraj (Rapporteur)



TOP MANAGEMENT STRUCTURE OF PUBLIC ENTERPRISES

(1.1) There has been a great deal of discussion about the comparative merits of different forms of organisation for public sector enterprises and also about their relations with Government and the problem of internal delegation, decentralisation etc. Most of this discussion has been based on a priori considerations rather than on careful research. Therefore, an analytical and comparative study of the operational effects of different types of top management structures that have been in existence for different public enterprises in India should be undertaken. Such a study may be undertaken by the Institute in cooperation with the Government of India.

(1.2) It is essential to have an evaluation-cum-consulting unit in Government whose function it will be to examine the efficiency of operation of different public enterprises, to study various special problems facing them and to make recommendations for improvement. The unit will have to build up a core of expertise and also use the services of outside experts as consultants for particular studies. Its detailed reports may have to be confidential; but it may also submit a general report which could be placed before Parliament. The unit may be located outside the controlling Ministries i.e., in the Cabinet Secretariat, the P.M.'s Secretariat or the Planning Commission.



II - MANAGERIAL CADRES FOR PUBLIC ENTERPRISES

(2.1) On personnel recruitment, training and terms of employment, a number of studies have been undertaken by the Institute and also by such bodies as the Estimates Committee of Parliament, etc. Though these problems have been under discussion for some time, no clear decision has yet been taken and the policy continues to be uncertain. It is not clear whether each plant is to develop its own management cadres, and recruitment and training is to be companywise; or whether an effort is to be made to have a common service or pool for all public enterprises, with common recruitment, training, and the inter-enterprise transferability, centralised promotion etc. that would follow from these; or whether a via media is to be adopted, with some form of unified recruitment, for example, at the graduate level and with a common training centre at the initial level. It is also apparent that the enterprises do not always appreciate the value of training, and do not readily depute officers for courses organised by different institutions.

(2.2) It is therefore suggested that, in the first place, the present uncertainty be removed; that a definite decision be taken as to whether each plant is to develop its own cadres or there is to be a common cadre, or whether some via media is to be adopted. It would probably be advisable to have unified recruitment at the fresh graduate level, with common initial training; thereafter, the recruits allocated to the different enterprises should be treated as belonging to their relative cadres. It is also suggested that the enterprises be required to ensure that their respective personnel are adequately trained within a reasonable

period of time. The importance of periodical training by way of refresher courses should also be emphasised.

(2.3) From the point of view of ensuring an adequate and high quality supply of managerial cadres, it is necessary to adopt a flexible policy in the matter of remuneration instead of rigidly applying civil service pay standards. An imaginative policy regarding personnel development and advancement also needs to be developed in most of the public undertakings. Reliance on traditional Government services for filling top management positions should rapidly give way to promotion from within public enterprise cadres.

III - ON THE CONSULTATIVE MACHINERY RELATING TO PRIVATE SECTOR INDUSTRY

A. Development Councils

(3.1) The Development Councils were originally envisaged as bodies which would provide a mechanism for drawing up programmes for industrial development for important industries by way of working out both the main lines of their capacity expansion and technical improvements. In many cases, however, they have actually functioned as 'grievance committees' and have not adequately fulfilled the role originally envisaged. It is necessary that the composition and working of the councils should be reorganised so as to enable them to fulfill this major role. If planning of the development of private sector industries is to be realistic and effective, it can only be done through the better use of bodies like this. The example of the various 'modernisation committees' in the French Planning system may be mentioned in this connection. The Development

Councils should therefore be effectively used for advice not only by the concerned Ministries but also by the Planning Commission.

(3.2) Though membership should continue to be on the basis of technical knowledge, experience and integrity, more persons belonging to smaller units in the industry, trade unions, marketing and professional groups related to the industry may be brought in.

(3.3) Only quick and prompt action on the decisions-cum-recommendations can inspire confidence amongst members of the Council. Whenever the decisions of the Council cannot be implemented, explanations for non-acceptance should be communicated to the Council concerned within a period of two months so that in the subsequent meetings the decision of the Government could be reviewed with understanding.

(3.4) Membership in the Development Councils should normally be for a period of four years. New members should be properly informed about the aims, objectives and functions of the Council. This would encourage maximum and effective participation by members.

(3.5) There should be at least one meeting in a quarter. More frequent consultations will be fruitful during critical periods. Meetings should be held with adequate preparation so that the participation and involvement of the members could be more real and purposeful.

(3.6) Much depends on the personality and dynamism of the chairman who should ensure the freedom of opinion of the individual members while at the same time display a good deal of initiative and imagination. The Chairman should therefore be a person

carefully selected for his knowledge and experience about and his standing in the industry. Government officials like Senior Industrial Advisers should be invited to the deliberations so that they may be apprised of the feelings of the Council on specific problems and issues.

(3.7) The decisions of the Councils should be promptly communicated to the various firms and associations in the industry. Periodical reports and reviews may also be circulated amongst the members. The Councils may also collect the requisite data for the studies that might be undertaken by the study groups or sub-committees.

(3.8) Such an enlargement of the functions of the Councils would necessitate a full-time secretary with adequate staff and statistical and technical assistance. This may involve more expenditure on the servicing of the Councils. Such expenditure may be met out of an industrial cess on the lines contemplated at the inception of these Councils.

B. Consultative Bodies for Exports and Imports

(3.9) As suggested by the All-India Importers Association to the Mudaliar Committee on Trade Policy, the scope and functions of the Port Committees may be expanded; these committees may meet more often; their suggestions may be communicated to the central Government for suitable action while formulating the import policy for the next licensing period.

(3.10) More importance needs to be given to commodity-wise discussions of import and export problems. It may also be worthwhile

to examine the possibility of prior discussions (commodity-wise) with the officials of the Ministry of International Trade. A report on the action taken on the recommendations should also be circulated.

(3.11) Inter-departmental and inter-ministerial consultations at higher levels may minimise the delays involved in implementing the recommendations of the Export Promotion Councils. It might also be helpful if officers of the Government concerned with export promotion have an opportunity to participate in the deliberations of the Export Promotion Councils.

(3.12) The question of discrepancy in the scales of pay between the officers of the Government dealing with export promotion and the officers of the Export Promotion Councils may be examined.

(3.13) The officials of the Council may be afforded occasional opportunities to meet and discuss their problems with the Economic Secretaries or the Economic Sub-committee of the Cabinet.

(3.14) The question of appointing a Government representative of a more senior rank on the Committees of the Councils may be considered, so that the Councils would be better informed about the Government's thinking and so that the decisions of the Councils may be taken up more expeditiously. A time limit for implementation may also be helpful.

(3.15) Each Export Promotion Councils may form "area-wise" Sub-committees and these sub-committees should consist of members who deal with the commodities exported to those regions. Such Sub-committees of experienced businessmen may go a long way in making useful suggestions for stepping up exports.

(3.16) Now that the Government has established a Board of Trade, the utility of some of these bodies established earlier needs to be reexamined.

IV REGULATION OF PRIVATE SECTOR INDUSTRY

(4.1) Since the first session of the Conference, the main problems relating to this field have been thoroughly examined by a Committee appointed by Government (known as the Swaminathan Committee) and its recommendations have been accepted by Government. The private sector was properly represented on this Committee and the changes suggested appear to be considered adequate by the private sector. We have therefore thought it unnecessary to go into these problems at this stage. It will be useful however to arrange for a review of the actual operational effect of these changes and this could be profitably undertaken after about a year.

18

INDIAN INSTITUTE OF PUBLIC ADMINISTRATION

CONFERENCE ON ADMINISTRATIVE REFORMS

PROBLEMS OF AGRICULTURAL ADMINISTRATION

AT THE BLOCK AND THE VILLAGE LEVEL

MAIN RECOMMENDATIONS

NEW DELHI
OCTOBER, 1964.

MAIN RECOMMENDATIONS *

1. There is need for perspective planning at the Block and the Village level. (1.1)
2. Planning at the Block level has to provide a pattern of budget and staff composition that would be suitable for developing the special potentialities of the Block. Local developmental authority should have adequate freedom to reallocate funds to meet unforeseen situations within the ceiling fixed for the agricultural programmes as a whole. (1.2)
3. While Block might be the optimum unit of planning and programme implementation for many purposes, the District might prove to be a more economical and effective unit for certain specific tasks. (1.3)
4. The scope of Village Production Plan should be limited at present to a few and selected items of community interest. (1.7)
5. As the co-operative structure is not evenly efficient and well-developed in all parts of India, recommendations for reforms should be made on the basis of assessment of problems of a particular area. (2.1)

* The relevant section and para numbers of the main paper are indicated against each recommendation.

6. Larger margin of profit should be made available to the primary units. (2.5)
7. Particular attention has to be paid to inculcate attitudes of sales promotion and business approach among the employees. (2.5)
8. A basic question to be judged is, if along with the co-operatives, another agency, private or departmental depots, should be allowed to function. A parallel agency will introduce an element of competition and thus keep a check on the inefficiency which might otherwise result under a single agency system. (2.5)
9. The problem of lack of proper co-ordination between co-operatives and agricultural personnel could be tickled through proper agricultural orientation of the cooperative management. (2.10)
10. The research centres and workers should develop such knowledge and skills which are of practical significance for the solution of the problems of farmers of the locality to which they are assigned. (3.2)
11. For the present, the Extension Officers should limit their advice only to those cases where they are certain that their diagnosis and prescriptions could successfully stand the local test. (3.2)
12. Extension Officers should exploit the wisdom and skill developed by the farmers on the basis of experience. Package of practices, used by successful farmers, with necessary modifications, should be propagated in the surrounding areas. (3.4)
13. The existing large number of ill planned field demonstrations should be replaced by composite farm demonstrations. The

District Agricultural Officers should take more active interest in the inspection of demonstration centres. (3.6)

14. Generally the result demonstrations should be economically attractive. The effectiveness of such demonstrations is dependent on its distinct, and not marginal, superiority. (3.7)

15. Subsidies normally should be given at the source of production. As far as possible the subsidised items should be such that could be used only for agricultural purposes. (3.9)

16. Awards as incentive towards higher production should be given not to the individual farmer but to the village community on the basis of percentage increase in total production. (3.10)

17. Some of the most refined and up-to-date ideas fail to catch the imagination of the masses because these are not effectively translated into the local language in terms of the local experience. The emphasis has to be shifted from publicity and propaganda of general nature to one having local content and appeal. (3.11)

18. The scales of pay of the B.D.Os and the Extension Officers needs to be upgraded. (4.5)

19. The V.L.W. should be an agricultural graduate and should form the first link in the chain formed by the E.O., the B.D.O., and the D.A.O., (4.6)

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20. People's institutions can play an important role in moulding the attitudes and behaviour of the cultivators towards programmes of improved agriculture. The leaders can help by volunteering themselves to experiment with and demonstrate the superiority of the recommended practices, and by actively participating in the task of bringing individual farmers to their point of view. (5.6)
21. For immediate improvement in the situation, authority and power in the field of agriculture should vest more in the officer who represents the line headed by the Agricultural Production Officer at the District level. The participation of the local bodies should be limited to planning, formulation of policy and general supervision of implementation. (5.8)
22. The problem of horizontal coordination could be solved, firstly, by reducing the number of agricultural departments, not only at the secretariat level but also at the level of directorates, and secondly, by creating a unified cadre of the Extension Officers. (4.1 - 4.4)

: Ans:

INDIAN INSTITUTE OF PUBLIC ADMINISTRATION

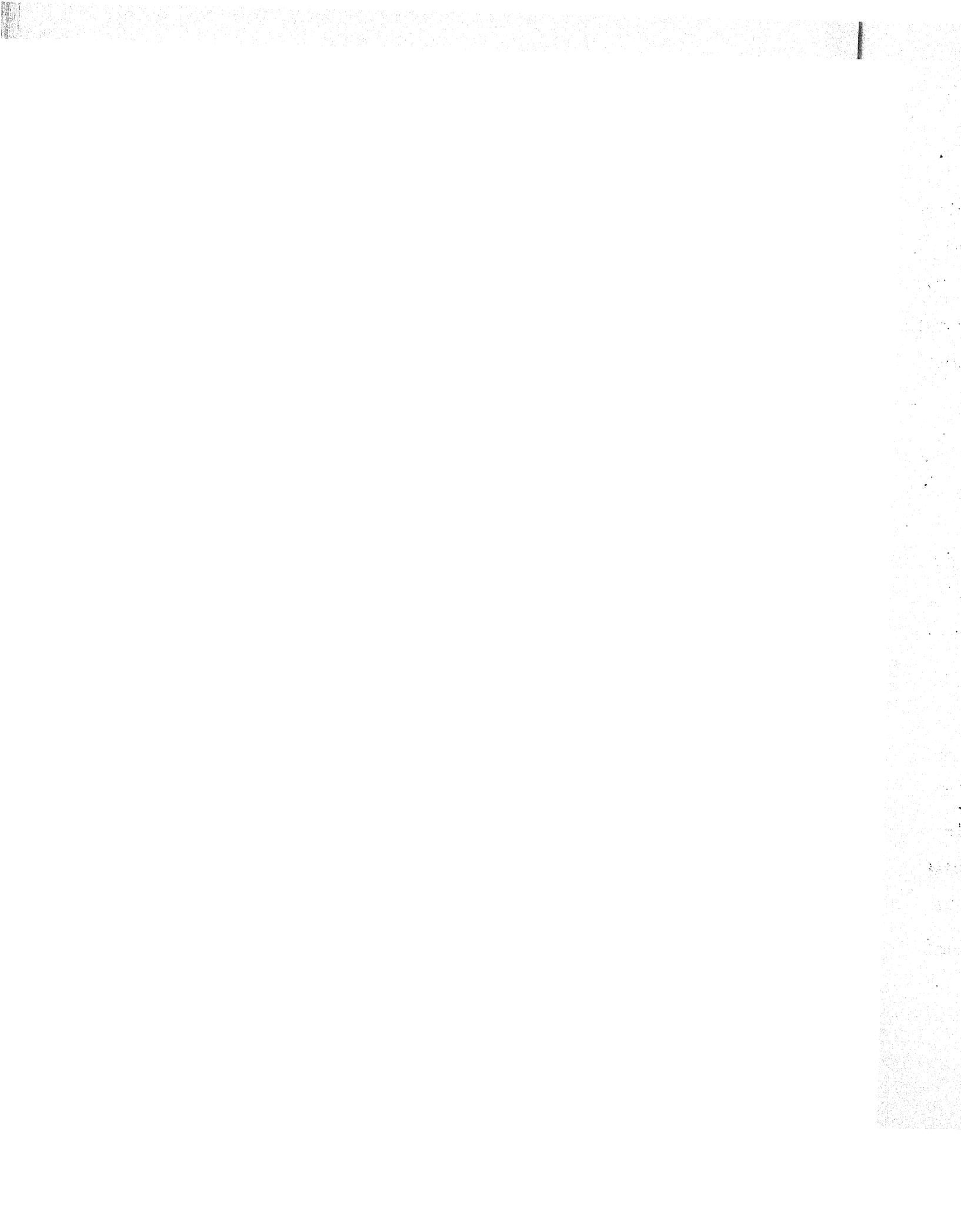
CONFERENCE ON ADMINISTRATIVE REFORMS

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Dr. R. D. Singh, S. P. Singh

S. N. Jha.

NEW DELHI
OCTOBER, 1964.



PROBLEMS OF AGRICULTURAL ADMINISTRATION
AT THE BLOCK AND THE VILLAGE LEVEL

By

Dr. R.D. Singh, S.P. Singh, S.N. Jha.

I N T R O D U C T I O N*

That increase in agricultural production is a "must", for the entire programme of economic development, is well accepted. It has also been recognised that "unsatisfactory administrative and organisational arrangement was, by far, the most important single factor responsible for inadequate progress in the sphere of agricultural production in India". Though broadly a branch of economic administration, agricultural administration is distinct from administration of other programmes. Agricultural programmes are related to millions of individual farm owners who can be compared with firms responsible for making independent decisions. While the input - output relationship can be forecast with fair amount of certainty in case of industrial units, in agriculture, these are subject to the vagaries of nature and a number of other uncertainties. Problems of integration and coordination of different variables are particularly important in agricultural administration.

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0.2 The basic characteristic of Indian agriculture is its variegated pattern in terms of natural endowments, social and economic overheads, institutional set-up, cropping pattern, etc. There are wide variations in the per acre productivity and certain areas could even be favourably compared with the best anywhere in the world. Different regions would have varied patterns and intensities of problems of agricultural planning and production. No generalisation can, therefore, be made which could be applicable to all the areas without important qualifications. Awareness of variation from one situation to another is accordingly as important as knowledge about the common elements. Detailed and specific knowledge about conditions in each area only can provide a firm basis for agricultural development.

0.3 In order to increase agricultural production in India within a short span of time, it is necessary that for development selection of such areas be made in which the marginal productivity of different inputs would be higher. The ideals of uniform agricultural development, therefore, will have to be restrained in the interest of quick increase in the national output. In past, efforts to improve agricultural production were frustrated mainly on account of two reasons: spreading of limited resources over a large area, and application of uniform patterns without adequate modifications in the light of local variations.

0.4 The selective and intensive approach to development should be reflected in every aspect of agricultural planning and programming such as selection of inputs, organisation of services, development of research staffing pattern, training programmes, and so on. In this connection an element somewhat neglected in agricultural administration, is the human factor. Knowledge of the farming community's level of awareness about agricultural programmes, local leadership, habits and customs and the degree of empathy in the local administration and extension agencies are intimately connected with the success of agricultural programmes. It is the prime task of the agricultural administrator to motivate the individual farmers to adopt improved practices and participate in new organisations of agricultural production through education, aid, assistance, assurance, inducement, institutional reforms, and where necessary, through large scale public investment.

0.5 The present paper discusses some important problems namely, (i) Planning (ii) Problem of Supplies and Role of Cooperatives, (iii) Research and Extension, (iv) Administrative Relationships at the Block level, and (v) Agricultural Production and Panchayats. The object of the paper is primarily to identify the main problems and to suggest improvements on the basis of existing knowledge and experience. There may however, be areas of administration wherein detailed investigations and research would be necessary before making final recommendations.

I

P L A N N I N G

1.1 There is need for some kind of perspective in planning at the Block and Village levels in order to present a clear picture of the physical targets spread over a period of time, say, ten to fifteen years. A perspective of this kind would provide to the former a deeper vision of the future of his enterprise and motivate him towards concrete action. For this it is necessary to have a complete assessment of the physical potentialities of production as well as the local resources that might be available, based on technical reconnaissance of a particular area. Preparation of such a plan is a two-way exercise in which after the assessment of the physical potentialities, a rough indication is first made of what can be achieved within a five year period. By correlating this rough plan with the ceilings which might be fixed for the Block by the State Government on basis of overall considerations for the State, a framework would be available for preparing detailed plan for the Block. An advantage of this procedure is that needs, potential, and resources are properly correlated for the preparation of a realistic plan. This would provide the base for working out the village production plans which at present are more or less an inventory of demands assuming that the requisite resources would be available for their implementation. In the preparation of block plans, more favourable areas could be taken first. Within the setting of a five year plan

the next task would be to prepare annual plans which would be more in the nature of programme planning.

1.2 BLOCK PLAN

Planning at the Block level in keeping with the above approach has to provide a pattern of budget and staff composition that would be suitable for developing the special potentialities of the Block which may vary as the block is situated within say a hilly, dry or suburban area. The concept of schematic budget and type staffing must therefore, give way to this new approach. While providing additional staff for intensive development, it would be more paying to employ subject matter specialists in horticulture, animal husbandry or irrigation looking to the needs of a particular area. For successful implementation of the Block plan after its special requirements have been mapped out and the right kind of staff provided, it would be advisable to give adequate freedom to the local developmental authority to reallocate funds, to meet unforeseen situations, within the ceiling fixed for the agricultural programmes as a whole.

1.3 While Block might be the optimum unit of planning and programme implementation for many purposes, the District might prove to be a more economical and effective unit for certain specific tasks.

There is dearth of trained and experienced staff which loses its impact when thinly spread out over a large number of Blocks. Then, certain functions such as training, method demonstration, testing of implements, and conducting research on purely local problems etc., can be carried out better at the district level. Finally, the District Production Officer, the District Collector and the Chairman Zila Parishad can provide a more unified unit of control from which all important decisions flow to the lower level bodies. The District Production Officer will have in actual working the backing of a team of specialists equipped with better technical knowledge than could be available at the Block level.

1.4 Assessment of the success of the agricultural plan is still done in terms of fulfillment of the financial outlays and the quantities of the various supplies and services offered. This is not always the correct index of physical achievements. Methods and organisation will have to be devised to assess the progress of Block programmes in terms of increased production.

II

SUPPLIES AND ROLE OF CO-OPERATIVES.

2.1 The co-operative structure is not evenly efficient and well-developed in all parts of India. On the one hand there are a few States and sometimes small pockets within a State which have got a co-operative system well integrated in its various operations, such as supply, marketing, processing, etc. On the other hand, there is

a relatively much bigger area in which co-operatives inspite of their long past and continuous public support, are too weak to cater to the needs of farmers. In between there are areas where cooperatives through working satisfactorily, are not so developed as to satisfy the requirements of all the cultivators. In such a situation recommendations for the improvement of supply position or marketing have to be made on the basis of assessment of problems of a particular area.

PROBLEM OF COSTLY SUPPLIES

2.2 The two main hurdles in the flow of balanced and timely supplies for the farmers are (a) inadequate distribution arrangements, and (b) prohibitive rates of various inputs. Complaints about shortages is common in respect of fertilizers, quality seeds, as well as key construction materials such as cement, iron, diesel oil, coal dust etc. While difficulties in many cases may be due to total shortages, control over quality and proper distribution, efficient management of local production units as in case of seeds and implements and stopping leakage of controlled items to the black markets are some of the tasks that call for action at the local level.

2.3 Fertilisers, electricity and power, tube-well irrigation, sprayers and pesticides, ware-housing charges including those of central ware-housing corporation to say nothing of controlled items are all made available to the agriculturist at very high rates, and in a number of cases rates higher than those at which other sections

are able to get them. It is ironical that India supplies the costliest fertilizers anywhere to the poorest farmers in the world. Quite a number of States are supplying electricity for agricultural purposes at the rates of 15 nP. per unit or above.

Rates of Electricity for Agricultural Purposes
in Selected States.

Bihar ...

| | |
|------------|--------------------|
| North Area | 23.44 nP. per unit |
| South Area | 15 nP. per unit |

| | |
|--------|--------------------|
| Gujrat | 15.35 nP. per unit |
|--------|--------------------|

| | |
|---------------|-----------------|
| Uttar Pradesh | 17 nP. per unit |
|---------------|-----------------|

If we take even a low limit of 9 nP. per unit, this rate is exceeded in most of the States. In case of diesel oil used for tractors and village pumping sets, there has been a sharp increase in the price between 1957 and 1963.

Selling Prices of Diesel Oil, f.o.r. Bombay

| High Speed Diesel Oil for Tractors (Rs. per Gallon) | | | Low Speed Diesel Oil for Pumping Sets, (Rs. per Ton) | | |
|---|------|--------|--|------|-------|
| | Duty | | | Duty | |
| 1.4.1957 | 1.19 | (0.44) | | 248 | (55) |
| 2.3.1963 | 2.68 | (2.04) | | 418 | (234) |

The situation is equally unhappy about other inputs. Apart from the absolute level, the relative structure of prices of the different supplies has also to be balanced. As it is, only a few well-to-do farmers can avail of these facilities.

COOPERATIVES

2.4 The responsibility for facilitating timely and balanced supplies and also for making these supplies available at reasonable rates to the farmers, vests primarily on the cooperative societies. The weaknesses of the cooperative movement such as the existence of a large number of unviable units, shortage of godown accommodation, absence of link between marketing and credit, restrictive conditions governing eligibility for loans, lack of sufficient representation of the weaker sections of the community, and absence of well organised cooperative farms as the core of the cooperative movement are well known and need no emphasis. Perhaps many of these short-comings are due to the fact that the past history of the cooperative movement has been primarily credit oriented.

2.5 The cooperative movement loses its impact to a great extent because in the hierarchy of the cooperative societies the primary units are invariably the most neglected ones. The margin of profit available in the handling of supplies is skimmed by the Central Cooperative Banks or the State Cooperative Organisations. It is necessary that larger margin of profit should be made available to

the primary units. For this purpose the intermediary agencies between the apex at the State level and the primary societies should be reduced to the minimum. Particular attention has to be paid to sales promotion and business approach. This is partly hindered on account of lack of proper training of cooperative personnel in agricultural matters. A cooperative salesman must be able to satisfy the natural and common enquiries of a farmer purchaser. A basic question to be judged is if along with the cooperatives another agency, private or departmental depots should be allowed to function. In U.P. the State Government was able to increase the distribution of improved seeds nearly four times through the departmental depots last year. A parallel agency will introduce an element of competition and thus keep a check on the inefficiency which might otherwise result under a single agency system. However, in accordance with the different levels of development of cooperative organisation in different areas, a decision on this issue will depend on the specific situation. The aim of introduction of alternative agency is to supplement and not supplant the working of cooperatives. The role of supervisory staff, registrar's staff or employees of the central bank, has to be reoriented so that the supervisory staff may act towards the primary societies as a guide and a friend giving sympathetic and constructive thought to each one of their difficulties. The attitude of a "check-upper" has to be changed to that of a "helper".

2.6 There is also need for instilling greater purity consciousness about seeds. The District Agricultural Officers should exercise stricter control in the matter of verification of cooperative stocks. These stocks should be released only after they have been certified by the Agricultural Officer. An agreement bond between the cooperatives and registered growers regarding price, quality, etc., could be an effective means of control over the registered growers.

2.7 Another problem is diversion of supplies from productive to non-productive uses, and also from food crops to cash crops against the planned priorities. The V.L.Ws and the Extension Officers and Cooperative Supervisors should ensure that credit is linked with the production plans and plans once prepared are faithfully followed up. There is a wide gap between the credit requirements detailed in the farm production plan and those actually financed. It is necessary that this gap should be plugged and financing on ad hoc basis should be immediately stopped.

2.8 For linking credit with marketing, societies will have to adopt the readiness and promptitude of the private traders. The marketing societies should collect the produce of the members specially small cultivators, when necessary, from their door steps in order to meet successfully/competition from private traders. Another way of arranging a better deal for the farmer is to bring larger number of rice mills and other processing units from the private to the cooperative sector.

2.9 A recognisable proportion of agricultural land in many parts of India is being worked by tenant cultivators under informal arrangements with the land owners. These farmers do not qualify themselves for cooperative credit.

2.10 There have been frequent complaints about lack of proper co-ordination between cooperatives and agricultural personnel.

The problem, however, could be tackled through proper agricultural orientation of the cooperative management. Another way is to make the Agricultural Extension Officer responsible for the preparation of the plan in accordance with which the loans and other facilities are to be distributed.

III

RESEARCH AND EXTENSION

3.1 Most of the deficiencies of the existing extension programmes arise from lack of proper training and intensive and sustained efforts which need complete identification of the extension agencies with the interest of the common farmers. A striking feature of agricultural situation in many parts of India is that inspite of heavy pressure of population on land, the actual labour input in comparison with other factors of production, is one of the lowest. Availability of minimum resources and essential facilities in itself, no doubt, an important limiting factor in the utilisation of the labour input.

However, an equally important reason is that it has not been possible, for one reason or the other, to lift the people from what has sometimes been described as the "pathetic contentment" of the Indian peasant. Along with supplies and other ancillary facilities there is need for creating vigorous will among the people to work harder to improve their lot.

NEXUS BETWEEN RESEARCH AND EXTENSION

3.2 The success of extension function is dependent upon the working of a two-way traffic between the centres of research and the points of production. It is essential that the research centres and workers should develop such knowledge and skills which are of practical significance for the solution of the problems of farmers of the locality to which they are assigned. Viewing the problem from a broader perspective, it is observed that even the State research organisations are not problem-oriented and geared to the actual needs of the field. One could dare say that the Director of Agriculture in many cases is not fully seized with this problem. There is a lot of general knowledge about agriculture but little scientific understanding of the difficulties a cultivator has to face in practice. It is no use blaming the agricultural graduates who run the extension organisation because at the root of this ineffectiveness is the hard reality that there is no such reservoir of the right knowledge which could feed the educational courses and equip

the agricultural graduates with the required professional skill.

It is with a view to plug this gap that the proposals for the Fourth Five Year Plan envisage setting up of district research experimental farms which will become in due course the basic source of knowledge which could be drawn upon by educational institutions and the extension agencies. In the process of carrying scientifically tested knowledge to the farmers and the practical problems to the researchers, the extension agent will add to his own understandings. Equipped in this manner, they would meet the farmers with confidence and bring science to their doors. This development in the very nature of things would take time. It will be futile to expect that a miracle could be worked within a short period of one or two years. For instance, on account of financial and technical limitations the idea of having a soil testing laboratory for each Block may not be feasible in short time. Even after such laboratories have been set up to discover right correlation between the results of soil test and the doses of individual inputs, the experiment of crop response to these doses has to be continued for quite sometime. And even after this process has been completed there could be variations in results on account of change in weather conditions etc. Similarly, the process of producing genetically pure variety of seeds is an intricate one. In the circumstances, the Extension Officers would serve the farmer better if they limit their advice only to those cases where they are certain that their diagnosis and prescriptions could successfully stand the local test.

3.3 Introduction of Package Programme for individual commodities such as rice, cotton, oil-seeds, etc. is expected to give the exact doses and combinations of the various inputs and practices. The programmes spread over a number of areas would in time offer valuable knowledge that could be utilised with profit in other areas. Application of package of practices in different conditions would also able to spot out the gaps in the existing knowledge and offer a cue to the research centres to take up new lines of investigation. Research organised in this context should ensure that the experiments in question produce only a few but reliable varieties of inputs suited to the needs of smaller compact areas. Difficulties of selection sometimes arise for the farmers when a large number of alternatives are offered to them, either in seeds, fertilizers or equipments.

3.4 There is no reason why this process should not be enriched by drawing upon the experience of the farmers. A good farmer depends on certain package of practices on basis of his long personal experience. An extension worker should be keen to discover such farmers and try to spread his methods, may be with further improvements, to the other neighbouring cultivators.

3.5 The performance of Extension Officer should be judged on the basis of quality of work rather than with such yardsticks as the number of farmers covered and the quantities of supplies distributed.

RESULT DEMONSTRATIONS.

3.6 The laying out and follow up of field demonstrations for the different practices and production processes need a high degree of technical knowledge and constant supervision. There are very few persons even among officers who can satisfy these requirements. At present the V.L.W. with his limited competence is expected to lay out 15 to 20 demonstrations although his capacity may not permit him to lay out more than 5 such demonstrations. There is a strong case for replacing the existing large number of ill planned field demonstrations by composite farm demonstrations. The District Agricultural Officers must take more active interest in the inspection of demonstration centres. Training in the method demonstration at the district level should be arranged for the benefit of the V.L.W. as well as the Extension Officers.

3.7 Generally the result demonstrations have not been economically attractive. The effectiveness of such demonstrations is dependent on its distinct and not marginal superiority. Such demonstrations should offer a natural attraction to the farmers and induce him to adopt practices used there.

INCENTIVES

3.8 Price Among the various methods of providing incentives such as remunerative price, subsidies, rebates, awards, etc. the price incentive occupies the most important place. It has to be

administratively ensured that the benefit of the floor prices that are fixed for different crops go to the actual tillers of the soil.

3.9 Subsidies. The modus operandi for quicker and cheaper supply of inputs in a number of fields has been grant for minor irrigation, fertilizers, seed multiplication, pesticides, plant protection, equipments, and assistance for other land improvement measures. The present method of granting subsidies does not permit any physical check as to how these subsidies are being utilised. Apart from it, subsidies distract the attention of Extension Officers from their first duties of technical advice to that of making grants and creates an unhealthy attitude among farmers of obtaining subsidies anyhow. The method of subsidies, therefore, should aim only at giving the initial push to a programme. But once a programme has become popular, ways and means should be devised to withdraw these subsidies and leave the developmental activities to become self-reliant. Subsidies normally should be given at the source of production. As far as possible the subsidised items should be such that could be used only for agricultural purposes.

3.10 Awards. The awards made at present to individual farmer on basis of crop competitions take into account the highest rate of yield per acre in the field offered for competition without reference to his income group. The impact of such awards as an incentive towards higher production could be more effectively felt if it is given not to the individual farmer but to the village community on the basis of percentage increase in total production. The award itself could be given in the form desired by the winners. This method could be further supplemented

by making an award to the best cultivator in the same village. Selection of the best cultivator could be made by the village panchayat. Organisations responsible for evaluation of the performance of either individual farmers or a village community or a Block ought to use methods and procedures which should inspire confidence among the potential competitors.

INFORMATION SERVICES:

3.11 Some of the most refined and up-to-date ideas fail to catch the imagination of the masses because these are not effectively translated into the local language in terms of the local experience. Cases of achievements selected for publicity and propaganda should as far as possible have the context and the conditions with which the farmer is familiar and /can readily grasp and verify. Channels of communication that are traditionally popular in the rural areas should be utilised. Organisation of fairs displaying specimen of improved seeds, implements, cattle etc., will have better effect than the kind of audio-visual aids in use at present. Certain important points could be simplified and communicated by means of popular tales and songs in the local dialect. It is well known how popular are the sayings associated with the name of Ghagha in Northern India. While there is a plethora of literature available for well educated readers, there is little in the regional languages that could be used by the less educated people. The emphasis has to be shifted from publicity and propaganda of general nature to one having local content and appeal.

3.12. In conclusion it may be said that many of the difficulties emanate from a large programme thinly spread out over a large number of items having small staff with too many activities. In fact, as already mentioned, there are too many varieties of inputs instead of a few tried and reliable ones; a large number of demonstrations but very few of the composite type; too many training programmes of shorter durations instead of a few of intensive nature. In keeping with the intensive approach to agricultural development, a few items in each field of operation should be selected for qualitative improvement.

IV

ADMINISTRATIVE RELATIONSHIPS

4.1 The basic problem of administration at the Block level is one of striking a balance among broadly three distinct, though in practice somewhat intertwined lines of administration : the lines formed by the generalist, the specialist and the popularly elected institutions. The problem is complicated by the existence at the State level of a large number of agricultural departments having independent hierarchies touching the District and the Block levels. Any study of agricultural administration is incomplete without a probe into the problems of coordination among the various agencies at different levels.

4.2 While there is all emphasis on the creation and preservation of vertical hierarchies, not much thought has been given to horizontal coordination. The community development approach though supposed to be

an answer to this problem was not able to solve it in its entirety and vertical structures remained as before. The Working Group on Inter-Departmental and Institutional Coordination for Agricultural Development has recommended the formation of an Integrated Department of Agriculture and Rural Development dealing with all the agricultural subjects. But the object is expected to be achieved by posting a common Principal Secretary-Cum-Agricultural Production Commissioner, while the various directorates under the heads of departments will retain their separate identities. However, even at the level of heads of departments duplication of agencies for common items of work needs to be avoided. For instance, minor irrigation is dealt with by Agriculture, Revenue and Irrigation Departments. Agricultural statistics is also sometimes dealt with by two or three agencies simultaneously. A separate Cooperative Department and a separate hierarchy of cooperative officers is not justified on account of any specialised nature of duties. In accordance with the recommendations of the Working Group, fifty per cent of the B.D.Os are to be promoted from the rank of E.Os of the Integrated Agricultural Department and the balance fifty per cent is to be equally devived between deputationists from the general cadre and from the Integrated Department. After the implementation of the above recommendation the cadre of B.D.Os would turn out to be one dominated by the specialists, and the generalist type of officers will be in a small minority. Accordingly, the relationship between the generalist and the specialists at the Block level will not remain much of a problem. There is no concrete evidence that E.Os belonging to different lines of specialisation, and working under

B.D.O's having received agricultural education, have faced their tasks with greater team spirit. Today inspite of the fact that the B.D.O. possesses administrative control over the Extension Officers, /has generally been observed that the specialists feel that their primary loyalty is to their own technical departments.

4.3 Horizontal coordination is closely related to departmental organization. The greater the number of departments the more difficult becomes the problem of coordination. The problem in the circumstances could partly be solved by reducing the number of agricultural departments, not only at the secretariat level but also at the level of directorates as far as possible.

4.4. There is something more to developing spirit de corps than the type of education, liberal or technical, that members of a group have received. Improvement of the departmental set up aside, the workers in the agricultural departments specially at the Block level, have to be imbued with the spirit of rural reconstruction. This calls for experience of rural living, complete identification with the interest of the rural people and capacity to undertake arduous duties. This problem can be solved by the creation of a unified cadre of the Extension Officers belonging to agriculture, animal husbandry, cooperation and other agricultural departments. In order that the recruits to this cadre develop a keen interest in rural development work, it would be better if young persons having passed the basic preparatory tests i.e., the Higher Secondary Examination

undergo a common course in the Block for about six months. The course should be so designed as to bring into clear focus the problems of the agriculturists which they might have only vaguely felt while living in villages and to prepare them intellectually and emotionally to make a career of rural extension and to launch them to become a team of workers loyal to the group and its purposes by giving them the opportunity for frequent and satisfying interaction. At the end of this period they should be sent to the Agricultural Universities for their specialised education on the University campus. This should be accommodated in a single hostel organised more or less like an University College. The initial training received in the Block should be continued during some of the vacations all through the training period. The feeling of team spirit generated at the beginning of the courses could be thus sustained right through the educational courses.

BETTER SERVICE CONDITIONS

Despite the recommendations of the Nalagarh Committee, not much progress has been made towards bridging the gap between the service conditions, status, pay scale, etc. of the Agricultural Extension Officers and officers belonging to general administration. There is a general reluctance on the part of better placed officers to work at the Block level. The B.D.O's in many of the States are appointed in junior class II scales and the Extension Officers are

in a somewhat lower scale. These scales in themselves do not attract good talents. The narrow difference between the B.D.O's and E.O's' scales does not permit B.D.O. to command respect and deference from his immediate subordinates nor does the B.D.O's' post exercise sufficient pull for the E.O's to put forth their best.

4.6 The V.L.W. should be an agricultural graduate and should form the first link in the chain formed by the E.O., the B.D.O., and the D.A.O. The functions of V.L.W. should be distinct from that of the Secretary, Village Panchayat. The former can concentrate on agriculture provided the latter takes over the remaining functions. The post of V.L.W. should be upgraded. Starting as a V.L.W. an agricultural graduate can thus look forward to a progressive ladder of promotion.

STRENGTHENING THE STAFF COMPLEMENT

4.7 The staff complement in the I.A.D.P. areas should be accepted as normal for all Blocks and should be retained on a permanent footing. The capacity of a particular area to absorb larger investments fruitfully is increased as the initial handicaps in form of traditional attitudes and habits of producers are removed. Any reduction of staff strength in the process of development, therefore, should be avoided.

4.8 With addition in the number of specialists in different subjects of agriculture such as plant-protection, horticulture etc., much can be gained by deploying them differently. They may be located in V.L.W.s' circles where they will be responsible also for extension work. However, the responsibility for the work in their line of specialisation all over the Block will continue to be theirs.

OTHER PROBLEMS

4.9 There are some problems which are well known and have been pointed out on a number of occasions but recommendations made for their solution have not been acted upon. In States like Maharashtra and Bihar, revenue and developmental functions are combined at some levels in the Block, though it is now generally recognised that such combinations are not conducive for developmental work. Procedural delays have been serious bottlenecks in the execution of agricultural programmes. Further delegation of powers to the Block level authorities is necessary. In view of the large allocations made for agriculture in the Fourth Five Year Plan, it would be advisable to review the question of delegation afresh almost every year.

V.

AGRICULTURAL PRODUCTION & PANCHAYATI RAJ

5.1 The importance of the role of local participation in rural reconstruction cannot be overemphasised. In transferring functions, the capacity of the local institutions to shoulder responsibilities has to be considered in terms of prevailing and emerging social values in rural communities. It is important to know the situations in response to which communities sink their differences and act in unison and those in which community feeling is absent and individuals and groups fend for themselves. Situations of threat, natural and human, produce cohesion among groups of all kinds. The problem of agricultural production is keenly experienced as a threat by the national leadership. But leadership at the local level suffers from limitations of parochial interests and finds it difficult to see close relationship between their own actions and the national interests.

5.2 In agriculture, which mainly concerns the individual farmer, representatives of power interests in rural communities can have somewhat limited function to perform. Village panchayats which have functioned for over a decade in most of the States have been considered important instruments of agricultural extension and hopes had been expressed that the programme would receive great push by the involvement. A warning was sounded by the Programme Evaluation Organisation as early as :- 1955 that 'sometimes the desire to

avoid or devide responsibility in regard to urgent needs of people, which are many and for which resources are limited may hasten the process of decentralisation beyond the capacity of local bodies to do justice to their new tasks'. But with the acceptance of the Mehta Committee Report most of the States have conferred functions of developmental administration on the Panchayati Raj bodies without always providing the matching resources.

5.3 Under the present arrangements, when the three inter-related popular institutions at the village, block and district levels are operating in a large number of States, considerable responsibility for agricultural development has been placed on these institutions mostly as agencies of the State Government. The questions to be considered are the Role of the Panchayati Raj institutions, the relationship between the office bearers of the popular institutions and the officials placed at their disposal by the State Government, and to locate the viable level among the Panchayati Raj institutions at which responsibility for aiding agricultural production can be placed.

5.4 Within the overall policy formulated by the State, local institutions are expected to plan and execute programmes of agricultural development with the assistance of permanent officials placed at their disposal by the State.

5.5 Community works such as construction of bunds, drainage and irrigation channels for increased agricultural production are the special responsibility of the various panchayats and of the Panchayat Samiti if the work extends beyond one village. Such programmes in their very nature would cut across fields belonging to many cultivators. A certain measure of legal coercion becomes necessary to support the educational and persuasive methods of these institutions.

5.6 People's institutions can play an important role/moulding the attitudes and behaviours of the cultivators towards programmes of improved agriculture. The necessity of their help in supplying the local angle in the formulation of programmes has already been indicated. The leaders can help by volunteering themselves to experiment with and demonstrate the superiority of the recommended practices, and by actively participating in the task of bringing individual farmers to their point of view.

5.7 In the Panchayati Raj institutions, "there is a tendency to emphasise power and rights more than duties and responsibilities." Political factor in a democracy is an important element and is bound to impinge on administration to some extent. Attempts can be made to reduce only its baneful influences rather than to eradicate it.

5.8 At the Block level complaints of too much interference on the part of the Chairman of the Panchayat Samiti in the implementation of approved programmes are common. Cases are quoted to show that the non-official interference has resulted in defeating the very purpose of the programme, though it cannot be asserted that official agencies have always made the best and most proper use of resources placed at their disposal for agricultural production. Whereas the ultimate remedy of this lies in education and change of values, for immediate improvement in the situation, authority and power in the field of agriculture should vest more in the officer who represents the line headed by the Agricultural Production Officer at the District level. The participation of the local bodies should be limited to planning, formulation of policy and general supervision of implementation.

5.9 In Maharashtra, the Zila Parishads occupy the key position in the hierarchy of panchayats. There is closer collaboration between the official agencies and the Zila Parishads, with the Parishads having control over the former. Thus a firm nucleus is formed of the best talent available in the official as well as the non-official channels. The experience of Maharashtra, therefore, deserves careful consideration.

Ans:

INDIAN INSTITUTE OF PUBLIC ADMINISTRATION

CONFERENCE ON ADMINISTRATIVE REFORMS

SOME REFLECTIONS ON AGRICULTURAL RESEARCH IN INDIA

Jai Krishna and Shri Nath Singh

NEW DELHI
OCTOBER, 1964.



SOME REFLECTIONS ON AGRICULTURAL RESEARCH IN INDIA

Jai Krishna and Shri Nath Singh

The strategic place of agriculture in our national economy needs no emphasis. National leaders, economists and men of high public standing are emphasising the need to increase agricultural production at a rapid rate. The recent emphasis on increasing agricultural production has come in the wake of the rather stagnant position of agricultural production in the last few years and resulting food crisis being faced by the country.

It has been a common practice to blame the Indian farmer solely for the inferior technological skills used in Indian farming. Conservative though the Indian farmer is, we feel that the behaviour patterns of our farmers are in no way different than the farmers in any other nation in the world.

The slow rate of response by farmers to changes in farming practices is associated with certain distinguishing features of agriculture as an industry. Agriculture as an industry is much more susceptible to risks and uncertainties, of various kinds than industries in other sectors of the economy. However, the degree to which risk and uncertainty act as deterrent to technological progress in agriculture in a country is conditioned, among other things, by: (1) gains offered by modern technology visa vis traditional technology (the existence of an efficient and honest research base), (2) the existence of an appropriate extension agency to propagate the new technology, (3) the existence of close coordination between extension and research and (4) the existence of efficient channels for the timely and adequate supply farm inputs and disposal of farm products at prices remunerative to the farmers.

In this paper we propose to examine in some detail the nature of our research efforts in agriculture. Emphasis has been laid on researches relating to the two most important food crops viz., paddy and wheat.

Agricultural Research and Agricultural Development

The consumers of research output in agriculture i.e. farmers can be divided into three broad groups: (a) those farmers who are either practicing traditional farm practices in toto or are just making break from these practices, (b) those farmers who are making some use of the available technology and (c) those farmers who are fairly progressive and are making full or nearly full use of the available technology.

The number of farmers falling in the two extreme groups, in our judgement is very small in our country. The efforts of our extension agencies have certainly moved most of our farmers upto group (b). What is now needed to achieve a major break through in agricultural production is to cause a measureable shift in the distribution of farmers from group (b) to group (c). In order to achieve this end farmers in group (c) will have to be moved still further by providing them new knowledge that has not been so far made available to them. This assumes a continuous growth in the reservoir of knowledge being generated at our research stations.

In our judgement the fund of knowledge available to the extension workers in India has not grown or at best has grown at a very slow rate. Table No. 1 gives an indication of the almost stagnant nature of our research efforts in as much as the maximum yields obtained in different experiments in rice and wheat has not improved even on the two main experiment stations in the country.

TABLE NO I

Maximum yield of wheat and Rice obtained in different experiments conducted at Indian Agricultural Research Institute, New Delhi and Central Rice Research Institute, Cuttack, respectively.

| YEAR | WHEAT lbs/acre | PADDY lbs/acre |
|------|--------------------|-------------------|
| 1945 | 41.50 | -- |
| 1946 | 35.50 | -- |
| 1947 | 24.00 | 3,992 |
| 1948 | 25.00 | 3,495 |
| 1949 | 33.10 | 2,871 |
| 1950 | 41.90 | 2,874 |
| 1951 | 42.50) 44.83) | 3,359 |
| 1952 | { 17.60 22.94 | 3,094 |
| 1953 | 40.00 | 2,395 |
| 1954 | 25.70 | 4,363 |
| 1955 | 36.40 | 4,586 |
| 1956 | 39.00 | 3,242 |
| 1957 | 28.72 | 2,933 |
| 1958 | 36.50 | 2,622 |
| 1959 | 33.60 | 2,988 |
| 1960 | 34.00 | 3,543 |
| 1961 | -- | 3,290 |
| 1962 | -- | -- |
| 1963 | 52.50 | -- |

Compiled by Mrs. Husum Harinarain, Research Economist, The Ford Foundation, New Delhi, from the Annual Scientific Reports of the Research Institutes.

Agricultural Research - Its nature and Content

Research workers in agriculture seek improvements in technology by

- (a) inventing new inputs, such as improved seed varieties, new types of manures and fertilizers, pesticides, new cultural practices etc. and
- (b) experimenting with different combinations of such inputs to get the maximum yield per acre of land or per unit of labour or per unit of investment etc.

In India research efforts in agriculture have primarily been concentrated on finding new inputs, particularly improved seed varieties. Only passing attention has been paid to experiments designed to yield results as to the optimum combination of various inputs. Even on the first front, i.e. on the invention of new farm inputs our research efforts have not been highly successful. There are very few Varieties of Rice available in India that could successfully stand nitrogen applications at more than 60 lbs. per acre. This point was very forcefully brought out in the recent Conference of Key Personnel of Intensive Agricultural Areas held at New Delhi. Similarly wheat varieties yielding output levels greater than 50 mds. per acre have yet to be found.

As we turn our attention to the second sphere of research in agriculture i.e. experiments connected with response to different combinations of various farm inputs we find that the state of affairs is rather unsatisfactory. In the first place experiments of such nature have generally been restricted to a combination of two farm inputs, particularly different kinds of fertilizers or varieties and fertilizers. Where attempts have been made to combine more than two inputs the results have been confusing and no clear cut recommendations as to the complementary and supplementary relations among various farm inputs, have emerged out of such experiments. That such relations among inputs do exist and must be taken advantage of by the farmers is an elementary Farm Management principle. One only needs to take a look at the different professional journals and reports embodying the results of research work conducted at various research stations in the country to grasp our point.

Experiments on Irrigation - The role of irrigation as a vital farm input and risk reducing factor needs no emphasis under Indian Conditions.

Irrigation is not only a vital farm input in itself, in our country the adoption of improved practices is closely related to the irrigation input. Yet the number of experiments relating to irrigation have been very few, as will be clear from the following table.

TABLE NO. 2

| State | Crop | Total No. of Experiments | Exp. re- lating to Irrigation |
|---|-------|--------------------------------|-------------------------------------|
| Punjab, Himachal Pradesh and Jammu and Kashmir | Wheat | 188 | 2 |
| Uttar Pradesh | Wheat | 397 | 118 |
| Madras | Paddy | 342 | 11 |
| Andhra Pradesh | Paddy | 328 | 5 |

Source: National Index of Agricultural Field Experiments, 1948-53,
Indian Council of Agricultural Research, New Delhi, 1962.

The experiments on irrigation in U.P. have been analyzed in some detail and in only 40 out of 118 experiments the main effect (interval of irrigation) was found significant. Interaction of interval of irrigation with other inputs was found to be significant only in 32 experiments out of 118 experiments.

Experiments relating to Nitrogen and Phosphate levels:-

Extension workers generally insist upon the application of both the nutrient simultaneously in a crop. In some districts the supply of Ammonium Sulphate, which has become quite popular with the farmers, is linked with the purchase of super phosphate. The experimental results, however, lend very weak support to the above mentioned recommendation, as

is evident from the figures presented in Table 3.

TABLE NO 3

| State | Crop | Total No. of Experiments | No of Exp. in which the interaction of Nitrogen and Phos- phate levels was found significant |
|---|-------|-----------------------------|--|
| Punjab, Himachal Pradesh and Jammu and Kashmir | Wheat | 52 | 15 |
| Uttar Pradesh | Wheat | 43 | 13 |
| Madras | Paddy | 22 | 1 |
| Andhra Pradesh | Paddy | 36 | 15 |

Source—National Index of Agricultural Field Experiments, 1948-53, Indian Council of Agricultural Research, New Delhi, 1962.

Experiments with more than two inputs:- As has been said above our primary failings in research work relate to experiments involving more than two inputs and their interactions. In the following table we present an analysis of experiments with different levels of Nitrogen, Phosphate and Potash.

TABLE NO 4

| State | Crop | Total No of Experiments | No of Experiments yielding significant interactions affects | | | |
|---|-------|----------------------------|--|-----|-----|-----|
| | | | NxPxK | NxP | NxK | PxK |
| Punjab, Himachal Pradesh & Jammu and Kashmir | Wheat | 2 | 1 | 1 | 1 | 1 |
| Uttar Pradesh | Wheat | 10 | - | 2 | 3 | 1 |
| Madras | Paddy | 2 | - | - | - | - |
| Andhra Pradesh | Paddy | 6 | 1 | 1 | 3 | 1 |

Source:- National Index of Agricultural Field Experiments, 1948-53, Indian Council of Agricultural Research, New Delhi, 1962.

Numerous other instances can be cited about coupled experiments

where interaction affects among inputs have not been found significant.

Our research workers too generally do not pay any serious attention to this phenomenon, especially while reporting the results of the researches. We give below a few illustrations relating to works reported in the recent issues of the Indian Journal of Agronomy.

1. "Effect of Varying Frequencies of Irrigation in Relation with Phosphate and Nitrogen Fertilization on the yield of Berseem Fodder", by A.B. Khan (August, 1957).

An experiment with 3 levels of irrigation (number of irrigation - 10, 14, 18), 3 levels of Phosphate (0, 60, 120), and two levels of Nitrogen (0, 30) was conducted at the farm attached to the Indian Agriculture Research Institute in 1952 and continued over a period of 3 years. Summarising the findings the author states:

- " 1. With 30 lb dose of nitrogen there was significant increase in yield of berseem crop.
2. The increasing increments of phosphate increased the yield of berseem over control. The difference between 60 and 120 lbs P_2O_5 doses was not significant.
3. The differences in fodder yield were significant between any two irrigation frequencies. The yield difference was reduced to 1/3rd between the frequencies of 14 and 18 irrigation compared to 10 and 14 irrigation frequencies.
4. None of interactions between the treatments were significant.

The differences amongst the various years were also very small and not significant."

(page 32)

2. "Nitrogen and Phosphate Requirements of Paddy Crop," by V.M. Chovani, N. Gopalkrishna and A.A. Sanghavé (Nov. '57)

An experiment with graded doses of nitrogen (0,32,64,96) and phosphoric acid (0,32,64,96) was conducted for the three seasons, 1949-50, 1950-51, and 1951-52 at Agriculture Research Station, Karjat. The residual effect of the treatments was noted on the succeeding paddy crop for the next three years on the same site. The results are briefly stated as follows:-

"1. The response to Nitrogen was obtained at 32,64 & 96 lb levels of nitrogen. The responses were significant in all the three years.

2. Response per lb of nitrogen decreased as the dose of nitrogen was increased. The most profitable response was obtained at 64 lb level of nitrogen.

3. At 32 lb level of nitrogen there was depression in yield of succeeding unfertilized paddy crop compared to control. But high positive residual effect was observed at 64 and 96 lb levels of nitrogen.

4. The response to levels of phosphate, both direct and residual, was very small." (page 100)

As to the effect of P_2O_5 the authors state:

"As there was no direct effect of P_2O_5 during the experimental period so it was considered that superphosphate may show residual effect in the succeeding years. Thus the residual effect of all the treatments was studied. In the succeeding years, there was no response to P_2O_5 . On the contrary the yields decreased as the doses were increased. However, increase in yield to the extent of 10 per cent was noticed in case of the 64 lb N treatment. This confirms the previous findings for advocating a dose of 64 lb N which has better response in yield per lb of nitrogen. There was a good residual effect of it in the succeeding season." (page 99)

Only a passing reference was made to the interaction effects between Nitrogen and Phosphate.

3.

"Response of Rice Varieties to Different Levels of Nitrogen and Phosphate," by L.L. Relwani (Sept. '59)

"An experiment to study interrelationship of three varieties (N.P. 130, N.I. 97, and Jhona 349) to three levels of nitrogen (0, 20, 40 lb/acre) and three doses of P_2O_5 (0, 20, 40 lb/acre) was conducted during 1953-55 in a (3³) confounded design. The results may be summarized as under:-

1. The variety N.P. 130, a fine type of rice, produced not only higher yields than coarser Jhona 349, but also indicated comparatively a better response to nitrogen at higher level of fertilization. On an average N.P. 130 produced a significant difference of 2.11 mds. over Jhona 349.

2. The varieties N... 130 and Jhona 349 produced 7.3 mds. extra yield with 20 lb. N dose over no nitrogen treatment and showed a similar unit production capacity of about 30.25 lb. of grain. With additional dose of 20 lb. N/acre, N.P. 130 gave a further response of 2.32 mds. as against only 0.71 mds. by Jhona 349 over the first dose. At 40 lb. N level, unit production capacity indicated by variety N.P. 130 was 20.02 lb. of grain as against 16.58 lb. of grain by Jhona 349.

3. The economic aspect of the trial showed that variety N.P. 130 by application of 40 lb. N dose to the soil gave the maximum profit of Rs. 161.1 per acre. Application of phosphate, generally, proved uneconomic." (page 15)

Here again the author felt contented by merely analyzing the main effects in detail. The inter-relationship among varieties and levels of N, P_2O_5 were not analyzed in detail and no specific recommendations as to levels of the application of Nitrogen and Phosphate with different varieties emerged from the experiment.

4.

"The Effect of Two Sources of Nitrogen at Three Levels Each on Growth and Yield of Wheat Grown at Two Levels of Irrigation," by C.P. Gautam (December 1961).

An experiment to work out the optimum level of nitrogen fertilization and irrigation and to assess the comparative efficiency of farm compost and ammonium sulphate as sources of nitrogen was conducted with wheat variety Pt. 591 at the P.T. College Research Station, Bichpuri, Agra, in rabi season of 1946-47. Residual effects of fertilization were also studied on the ensuing Jowar crop.

As to interactions the author reports that none of the interaction effects were found to be significant in case of grain yield. (Page 74).

5. "Studies on the Effect of Spacing, Date of sowing and Fertilization on the Yield of Maize" by L. . Belwani (March 1962).

Studies on the effects of spacing, dates of sowing and levels of nitrogen and phosphate on maize yields were conducted at the Indian Agricultural Research Institute sub-station, Karnal, Punjab, for three years from 1957 to 1959

In this case also the author reports that the different interactions were neither found to be significant, nor did they reveal any pronounced or consistent trends in different years. (Page 175). Further, phosphate application was found to be ineffective and uneconomical. (Page 175-176).

6. In agronomic investigations with hybrid maize, O.P. Gautam, G.H. Shah and Yatendra Singh failed to find significant interaction effects either between level of nitrogen and time of nitrogen application or between time of planting and time of nitrogen application (March 1964, Page 9).

Response To Inputs

Not only the experimental results have failed to provide any clues leading to the recommendations of improved farm practices to the farmers, the results obtained through field investigations have not been very encouraging either.

Abraham and Rao* analyzed the data generated from a series of coordinated simple fertiliser trials in cultivators' fields carried out during 1953-54 to 1955-56 at eleven different centres for paddy and ten different centres for wheat in the country. The following treatments were tried:

$$\begin{array}{llllllll} \text{N: } & (0) & (20) & (40) & (0) & (20) & (40) & (20) \\ \text{P}_2\text{O}_5 : & (0), (0), (0), & (20), (20), (20) & (40) \end{array}$$

The Production Function fitted to the data yield the following result:

$$\text{Wheat: } Y = 15.2099 + .1578*** + .12076P*** - .00104N^2* - .00086P^2 - .00125NP*$$

$$(.02790) (.02764) (.0005696) (.0005696) (.0006577)$$

$$R^2 = .9681$$

$$\text{Paddy: } Y = 21.4583 + .2675N*** + .2054P*** - .00256N^2** - .00156P^2 - .000288NP**$$

$$(.06052) (.05688) (.001171) (.001171) (.001353)$$

$$R^2 = .9664$$

Here again the interaction between Nitrogen and phosphate is negative and is, therefore, contrary to agronomic logic.

Jai Krishna analyzed input-output data on wheat obtained through crop cutting experiments in Ludhiana district for 1961-62 and 1962-63. The relevant coefficients are given in the following table No.5:

TABLE NO. 5
Input - Output Relations in Wheat

| 1961-62 (N = 209) | | 1962-63 (N = 280) | | | |
|-------------------------------|----------------------|-------------------|----------------------------------|-----------------------|------------------|
| Variable | b _i | 6 b _i | Variable | b _i | 6 b _i |
| Nitrogen(Amm. sulp.)lb./ac | .9028*** | .3389 | Nitrogen (Amm. sulp. lb/acre) | .06176 | .2102 |
| No. of plough- ings | 17.6751** | 7.0734 | No. of Plough- ings | 8.5054 | 5.712 |
| No. of Irriga- tions(I) | 129.2907*** | 31.4837 | No. of Irriga- tions (I) | 94.1995***23.8 | |
| I ² | -10.995*** | 4.0694 | I ² | -3.5003 | 2.567 |
| Nitrogen X Phosphate | -.0043 | .1676 | Nitrogen X Phosphate | .0086*** | .0022 |
| a | 382.7 | --- | a | 434.4 | --- |
| R ² | .2097 | --- | R ² | .239 | --- |
| F | 10.774*** (5.203) | | F | 17.1772*** (5.274) | |

As is evident the explanatory power of the above functions is not very large and hence these results can not be used to arrive at any recommendations for the farmers with a high degree of confidence. Moreover the small number of significant coefficients in the equation for 1962-63, further restricts the value of the equation for making recommendations.

Economic Implications of Improved Practices

So far we have discussed only the physical implications of our research findings in agriculture. However, to appeal to the farmers such findings have to be translated in economic terms.

Gross errors are committed by the agricultural research workers in calculating the economic implications i.e. the added-cost added-return aspect of improved agricultural practices. Generally, these calculations are based on crop yields obtained on governmental farms under experimental conditions. On the other hand, the farmer, while calculating added-cost added-return for an improve practice faces, among other things, yield, price and technological uncertainties and hence discounts the expected yield figure and adds several cost items to cover for risk and uncertainty, in his calculations.

With a lower added return figure and a higher added-cost figure the farmer, in his judgment, finds that most improved practices, as applied to food crops in particular, do not pay enough to justify the botheration of putting extra labour and having to wait on so many "government-wallas" for supplies. Admittedly, the farmers have a tendency to too heavily discount the margin of profit, yet it is not unrealistic to assume that a number of improved practice being recommended to the farmers would fail to pass the test of profitability, if proper discounting factors are applied in calculating the profit margins for these practices.

R.W. Herdt*, while analyzing paddy demonstration results in Sambalpur district (Orissa) used 30% discount on yield from "Package of Practices" to cover for risks and uncertainty. For the district as a whole he found that 25% of the demonstrations were unprofitable, 55% were profitable and the profit margins were very low in the remaining 22% of the demonstrations.

J... Singh** reports the following results of the Package demonstrations in Bajra crop in Pali District (Rajasthan):

| <u>Additional Expenditure incurred on one acre of Bajra RSK (in rupees)</u> | | |
|---|------------------------------|--|
| One ploughing with triphali | 3/50 | Cost of additional produce . 53.! |
| Cost of seed (additional) including seed treatment | 0/50 | 4 maunds 5 seers at Rs.13/- per maund |
| One additional inter- cultivation | 3/00 | |
| Cost of fertilizers 20 lb. N and 15 lb. of P 2.5 | <u>25/00</u> <u>32/00</u> | |
| Net extra profit | <u>21/50</u> <u>53/50</u> | <u>53.</u> |

On the face value the demonstrations look quite successful. However the author has completely ignored to account for risk and uncertainty that the farmer would face in investing an extra sum of Rs.32.00. If we discount the added yield by 25% the demonstration would turn out to be not so successful.

* R.W. Herdt, "Sambalpur Paddy Demonstrations: 1962-63," Unpublished paper, The Ford Foundation, New Delhi.

**J.P. Singh, "Fertilizers pay even under rainfall conditions," Intensive Agriculture, February 1964, page 3.

Similarly at a regional conference of workers of IADP held at Mandyā (Mysore), it was pointed out that the composite demonstrations of Package of Practices were not giving the desired results. The need for examining the Package of Practices was greatly stressed by the field workers*.

Gaps in Research and the Package Programme..

The weakness of our research base on both the fronts listed above has clearly been exposed through our experiences in the Intensive Agricultural District Program, (Package Program). Problems arose as the specialists in the "Package Programme" districts tried to put together a 'Package of Practices' for different crops. Whatever research results were available to the specialists related to single practice recommendations** or at best recommendations in respect to a combination of two inputs. The specialists had absolutely no experimental base to fall upon in arriving at an optimum combination of the various farm inputs and cultural practices. Therefore, the existing "Package of Practices" being recommended are not research-based but are based on the general experience of the specialists. It is in this sense that the whole logic of reaping the benefits of complementarity of farm inputs through "Package of Practices" has lost much of its meaning even in the "Package Programme" dists. Also it is no wonder, therefore, that the Packages are not being adopted by the farmers in certain cases, such as the 'Package of Practices' for paddy in Shahbad dist. of Bihar, since the dose of fertilizer recommended in the Package is much higher than the existing paddy varieties in the district could stand.

* Summary of Recommendations: IADP Regional Conference (October 4-6, 1963), held at Mandyā, Directorate of Extension, Ministry of Food & Agriculture, New Delhi.

** In most of the cases even the results relating to the single practice experiments did not originate in the Package Programme districts.

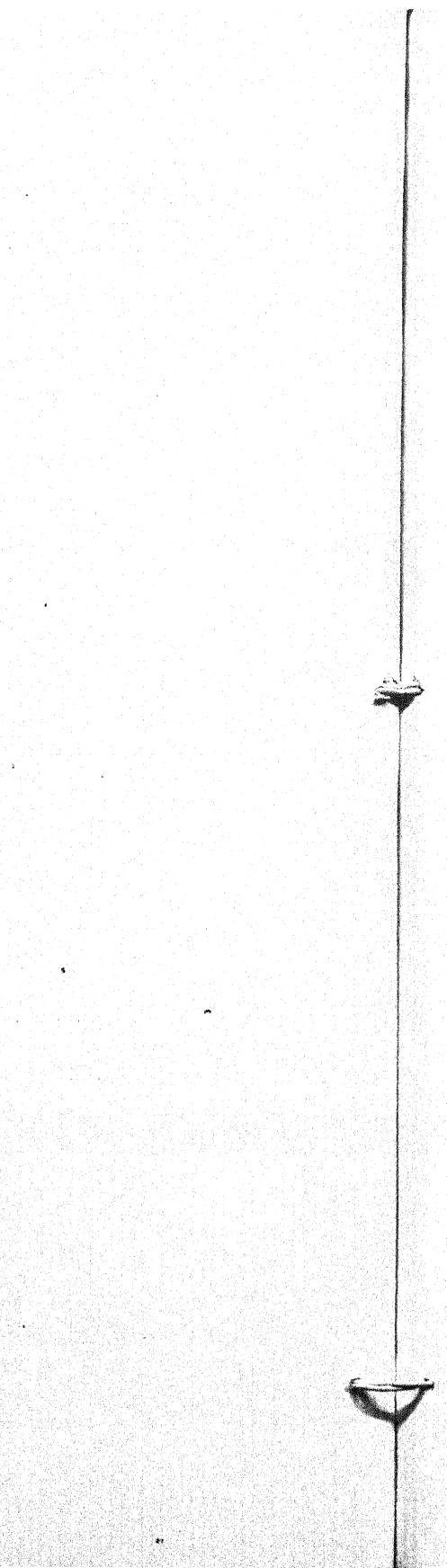
Summary

Increasing agricultural production at a rate faster than the rate of growth of population is a matter of national survival for us. The only course left open for us is to get more produce out of an acre through the use of modern agricultural technology. In this paper, we have focussed attention on the nature of our research efforts in agriculture. Researches in agriculture relate to: a) inventing new farm inputs and b) experimenting with different combinations of such inputs.

It has been brought out that our research efforts are lacking on both the fronts, more so in relation to working out optimum combinations of various farm inputs. This gap in our research base has adversely affected our efforts in the Intensive Agricultural District Programme districts, where the 'Package of Practices' idea forms the core of the whole programme.

In order to achieve a significant breakthrough in agriculture, the fund of knowledge at the command of extension agent will have to be considerably enriched. This would call for stepping up our research efforts considerably. Far-reaching recommendations have been made by the "Research Review Committee" to streamline the research efforts in this country.

Acknowledgement: The authors greatly benefited by the ideas expressed by Dr. W. David Hopper in a working paper. However, the views expressed are strictly the personal ones of the author.



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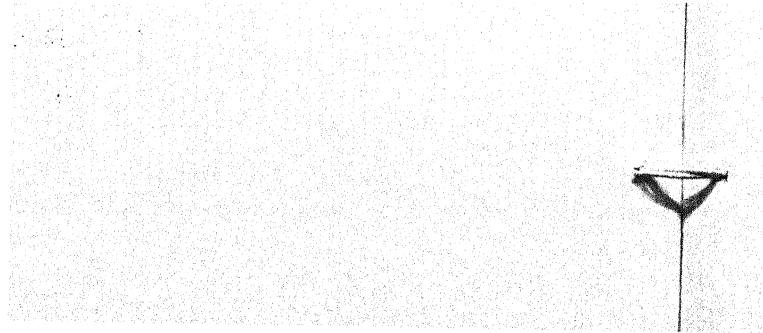
PROBLEMS OF AGRICULTURAL ADMINISTRATION AT THE
BLOCK AND THE VILLAGE LEVEL

AGRICULTURAL PRODUCTION & PANCHAYATI RAJ

(Background Material)

NEW DELHI

October, 1964.



AGRICULTURAL PRODUCTION AND PANCHAYATI RAJ

From the very beginning of the planned economic development in India public cooperation and participation in the programme of development has been emphasised. The First Five Year Plan thought it essential that "conditions should be created to enable individuals and groups to make their maximum contribution as citizens and in fulfilling the targets of the Plan and advancing its objectives".¹ The role of gram panchayats as basic units of local self-government nearest to the people, has always been emphasized.

The First Five Year Plan stressed that :

"Unless a village agency can assume responsibility and initiative for developing the resources of the village, it will be difficult to make a marked impression on rural life, for, only a village organisation representing the community as a whole can provide the necessary leadership. As the agencies of the state government can not easily approach each individual villager separately, progress depends largely on the existence of an active organization in the village which can bring the people into common programme to be carried out with the assistance of the administration. Panchayats have an indispensable role to play in the rural areas. As representing the best interests of all sections of the community their status is unique".²

1. The First Five Year Plan, p. 146.

2. Ibid, p. 133.

The Evaluation Report on Community Projects, 1955, clarified the concept of people's participation and struck a note of caution against hasty decentralisation when it said that :

"Statutory panchayats have by now been set up in almost all States and where they have not already been set up necessary legislation is under consideration. There is also a general readiness to confer on these bodies as many functions of developmental administration as possible. In fact, sometimes the desire to avoid or divide responsibility in regard to urgent needs of the people, which are many and for which resources are limited, may hasten the process of deconcentration beyond the capacity of local bodies to do justice to their new tasks. But if functions are matched by resources, provision for expert and trained services is made, and internal strengthening and safeguards are provided within the hierarchy of local self-governing bodies, any move towards building up strong basic institutions in villages must be wholeheartedly welcomed.

"Even in its restricted application participation has come to mean different things for different people, and hence either qualitative or quantitative measurement and comparison in the aggregate is ruled out.

"In view of the extreme importance of encouraging the augmentation of available resources for democratic planning the central idea of public participation deserves to be clarified. Obviously participation has to be voluntary, if it is to be something more

than a tax in cash or kind. Secondly, the contribution even when voluntary must be in addition to resources already available for a purpose. Thus if the Panchayat whose duty it is to make a road or a tank contributes out of its balances some amount to an ad hoc body to get the work done more cheaply than through normal channels, it is not the panchayat's contribution which constitutes public participation, but it is the margin of sacrifice which the participants in the ad hoc efforts have suffered that is entitled to be counted as public participation".³

The Second Five Year Plan recognised the increasing importance of the panchayats :

"As the coverage of the national extension movement expands, the work of village panchayats should be closely integrated with the programmes adopted in blocks. Panchayats will have two sets of programmes, namely, those which are sponsored by the Government through extension workers and by District Boards through their agencies, and those which are undertaken by the village community of its own volition and from its own resources the manpower, materials and money. Towards the former the village has to find a share of the cost mainly in the form of labour. While both sets of programmes are vital and the village panchayat should be used wherever possible in carrying out development programmes, an important test of the

3. Evaluation Report on Second Year's Working of Community Projects, pp. 12-13.

success of the Panchayat as an institution is the proportion which the second set of programmes bears to the first. The true significance of the panchayat lies in its role in mobilising the contribution of the community In fact local communities should be encouraged to undertake joint activities to the maximum extent possible".⁴

Again, the 1956 Evaluation Report struck a note of caution in giving the panchayats the increasing functions :

"Although the activities of the projects and especially the amenities programmes may have helped the panchayats to an extent, any systematic effort to really strengthen the panchayat agencies where they were established, to remove the defects in their working, and to make them more dynamic and effective, still belongs to the future. The emphasis so far as has been on expanding the panchayat net work and establishing panchayats where these did not exist. The responsibilities which are sought to be given to the panchayats and especially the increasingly important role of the panchayat agency in the economic and social life of the rural areas will not be fulfilled by merely leaving it to them to do it". Even provision of adequate financial assistance, though the first need, will not be sufficient. Guidance and active assistance will be necessary for a considerable period before the panchayats can be expected to effectively discharge the responsibilities being put upon them".⁵

4. The Second Five Year Plan - p. 155.

5. Evaluation Report on Working of Community Projects and N.E.S. Blocks, p. 18.

The Balwantrai Mehta Team stressed the need for more and more participation by the people and pointed out that :

"Public participation in community works is only one facet of the larger concept of community development. But such participation creates a quick and deep impression on the tabular statements of the statistician and the sympathetic mind of the casual observer. Consequently, during the past five years there has been a clear tendency to confuse people's participation in community works with their participation in community development. This confusion has, in its turn, bred two defects which we consider it essential to remove.

"There is the desire to inflate figures indicative of people's contribution to community works.

"The second defect, ... is the unequal participation by different sections of the local community.

"..... while organised public participation in community works should, especially in the earlier years of development of backward areas, receive a very large volume of attention from the persons in charge, steps should be taken to ensure that as large a section of the community as possible participates directly in their execution, that such execution is organised through statutory representative bodies which can take over their maintenance and that the participation is general, voluntary and not beyond the means of the participants".⁶

6. Report of the Team for the Study of Community Projects and National Extension Service, Vol. I, pp. 43-44.

The Fifth Evaluation Report discussed the details of the extent of people's participation :

"The value of people's participation in works programmes works out to an average of Rs. 1 per person per year in case of N.E.S. blocks and Rs. 1.8 in case of C.D. Blocks. Larger contributions could be mobilised from the people in the C.D. Blocks because of the larger fund available to them. In the case of both C.D. and N.E.S. blocks, the value of people's participation declines as the block period moves towards its end. This is contrary to what one would expect to happen. The people's participation should grow progressively as the years pass, and the educational effort of the staff and the radiational influence of the work done produce their effect. But our data tell a different story, and it would seem the educational effort and the radiational influence have not been effective enough.
7

The National Conference on Community Development 1959, discussed the role of panchayat and suggested steps to strengthen them.

"Being responsible for total development of the village, Panchayats should undertake planned productive programmes, both of agriculture and cottage industries. To this end, they should organise procurement of supplies and arrange credit through the

7. The Fifth Evaluation Report on Working of Community Development and N.E.S. Blocks, pp. 6 & 16.

cooperative organisations.... To create fuller employment, Panchayats should educate people in new techniques of production. Panchayat should consider itself responsible for building up and maintenance of social services and creating such conditions in the village that the villager does not normally have to go outside the village to seek redress of his grievances.

"Village Panchayat should be adopted as the single agency by all the Departments to approach villagers for implementation of the programmes. State Governments should direct the Departments accordingly. It will also be the responsibility of Departments to educate the panchayats suitably to discharge their role properly in respect of their respective programmes".⁸

The Seventh Evaluation Report discussed the question of people's contribution for community efforts :

"People's participation in development projects has been from the beginning one of the objectives of the C.D. programmes. Participation by the people can be both in the planning and the execution of development programmes. At the former stage, they can bring to bear on the formulation of plans their assessment of needs and resources, while in the latter they can take part in sharing the costs of development work and help its timely and economical execution.

8. National Conference on Community Development, July 1959,
pp. 4-5.

"People's Contribution:- The only aspect of people's participation that has been of some importance is their contribution, in cash and kind, to the cost of the development projects. The contributory method of work has many advantages; it reduces the burden of expenditure on the government, creates in the people a sense of pride in development projects, and helps in assessing the relative intensity of the people's need for different projects. Above all, it develops in them the spirit of self-help by discouraging the habit of depending entirely on the government to satisfy their needs".⁹

The Working Group on Panchayats and Cooperatives discussed the role and interrelationship of the village panchayats and the cooperatives and suggested a clear delimitation of functions of both the primary institutions.

"The co-operative and the panchayati are the primary agencies for carrying out the community development programme which aims at the improvement of all aspects of rural life through the efforts of the people. There is a close ideological connection between the co-operative movement and panchayati raj. Both can be regarded as instruments of democracy - co-operatives in the economic sphere and the panchayats in the political or administrative sphere. Both lead

9. Seventh Evaluation Report on Community Development and Some Allied Fields, 1960 pp. 84-89.

to democratic decentralisation and enable the citizens to acquire such qualities as self-confidence, self-reliance, and orderly and business-like habits. Both create a congenial atmosphere for rise of leadership among the rank and file thus can prove a training ground for democracy. Co-operation with its emphasis on "one man one vote" and with its capacity to combine freedom and opportunity for the small man with the benefit of large scale management is obviously the most suitable agency for setting up decentralised units in agriculture and industry. Since co-operatives and panchayats are both facets of democracy a sense of mutual assistance and support among these institutions will facilitate the establishment of a co-operative commonwealth as well as a panchayati raj in India.

"There are two extreme views on the subject of inter-relationship between the panchayat and the co-operative. Some of the representatives of the Sarva Sewa Sangh may be taken as representing one extreme view which is in favour of merging the co-operative in the panchayat and having only one institution discharging all developmental functions in the village. A slight variation of this view is that the co-operatives should be completely subordinated to the panchayat and the previous approval of the panchayat should be obtained before the co-operative society undertakes any activities or functions. The co-operative should also hand over a part of its profits to the panchayat.

'On the other hand the village panchayat is an institution which represents all the people. If given economic functions it can serve the interest of all the members and only such a body can play a determinate role in bringing about "social cohesion and unity".

There is, therefore, much to be said for a single body being given both administrative and economic functions. In fact in homogeneous societies like the Mushavim in Israel there is only one institution discharging both functions. These Mushavim are as democratic institutions as any in the world. Even if it is not possible to combine the work of the panchayat and the co-operative in a single institution the panchayat should have complete control over whatever activity the co-operative society undertakes and should get a part of the profits of the co-operative. In the absence of such a relationship conflicts would occur whenever the mutual benefit of the members conflict with the benefits of all. In the interest of social cohesion and unity the panchayat and the co-operative should either be one or at any rate the co-operative should be subordinate to the panchayat.

"The other view emphasise that co-operatives are purely voluntary organisations different interest groups bound by certain contractual obligations. The co-operative movement in other countries are not controlled by the government and government interference is resented by all co-operatives It is true that in our country for historical and other reason the movement has been government-dominated to a large extent. Serious efforts are now being made to free the movement from government-domination and make it really a movement of the people. In this context it is not desirable that the

co-operative should have anything to do with the statutory local authorities. The co-operatives are also essentially business organisations and the business has to be managed in the interest of the members by themselves. Fields of business and economic activity which can be looked after by voluntary associations of interested persons taking the form of a co-operative should be the spheres of the co-operatives and local authorities should not enter into them.

"There are, of course, numerous different shades of opinion between these two extreme positions. Those who advocate the merger of the co-operative in the panchayat seem to be under the impression that it is the aim of panchayati raj institutions to build up a monolithic structure of administration. The very idea of panchayati raj is to provide the widest possible dispersal of authority so that associations of people with different functional interests can execute programmes under the overall guidance and assistance from panchayati raj institutions. In fact plurality of institutions with their higher echelons and federations are inherent features of all democracies. The dispersal of authority should not merely be vertical but also horizontal as between the panchayat and other associations of the people. While co-ordination between the panchayat and such associations and prevention of overlapping of functions are important considerations, complete subordination would represent a totalitarian trend.

"Consistent with the preservation of the autonomous and business character of co-operatives, the largest measure of co-ordination must be achieved between panchayati raj institutions and co-operative organisations. The negative aspect of such co-ordination lies in avoidance of conflicts. Conflicts may arise mainly from overlapping fields of activity. It is, therefore, necessary either to delimit the functions from time to time according to local conditions. While broad allocations of functions may be attempted and certain organisational devices and procedures suggested for avoiding conflicts, what is really necessary is continuous collaboration between the two institutions. Attempts to lay down rigid devices and procedures may, in fact, defeat the very purpose for which they are meant.

Collaboration at the village level can obviously be secured more on the basis of personal relationship and conventions than through procedural devices. ... it is necessary to create an atmosphere under which healthy conventions of joint action may develop between the two sets of institutions. A very rigid demarcation of functions may prevent emergence of such connections and any formalised or rigid mechanism for co-ordination will be limited in its usefulness by the human factors involved".¹⁰

10. Report of the Working Group on Panchayats and Cooperatives ,
pp. 11-16.

The Third Five Year Plan said that,

"The concept of public cooperation is related, in its wider aspect, to the much larger sphere of voluntary action in which the initiative and organisational responsibility rest completely with the people and their leaders, and does not rely on legal sanctions or the power of the State for achieving its aims.

"The distinctive feature of public cooperation programmes is the presence of the contribution of voluntary service on a considerable scale. This became available in the earlier years chiefly for construction of roads and school buildings, drinking water schemes and other local works to provide simple amenities for the people".¹¹

The recent Study Team on Panchayati Raj in Rajasthan discussed the different aspects of people's participation, the reasons for a fall in the extent of such participation after the first years of enthusiasm and made suggestions for improvement.

"In the earlier stages of the Community Development Programme, people displayed enthusiasm and came forward in large numbers to contribute labour, cash and material.

"The tempo of people's participation cannot be said to have remained steady

The downward trend in regard to people's participation which had begun in the pre-Panchayati Raj period and which has reappeared even in the post-Panchayati Raj period can, however, neither be

attributed to the Community Development programmes as such nor to the Panchayati Raj institutions. It will also be wrong to place the blame in exclusive terms either on the people or on the leaders or on the Government. The securing of people's participation is a cumulative process and as such its reasons are several and lie much deeper. It may be added that the wanning of people's participation should not be treated as universal phenomenon as with regard to some sectors, (such as construction of school buildings, digging of drinking water wells and desilting of village tanks etc.), people are prepared to contribute their mite enthusiastically. It may be a safe hypothesis to venture that people are still willing and prepared to contribute their bit with regard to those schemes which fit in their pattern of priorities and square with their felt needs. It would, therefore, be wrong to conclude that the tempo of people's participation cannot be restored to its original strength, it is a problem of mobilization and needs efforts on the part of leadership, both at the official and the non-official levels.

"The principle of people's participation i.e., people contributing their share of efforts for the common welfare is sound. But in the present form people's participation is not effective. We recommend that people's participation should more often be obtained in the form of cash or material and undue emphasis on the labour component of participation should decrease.

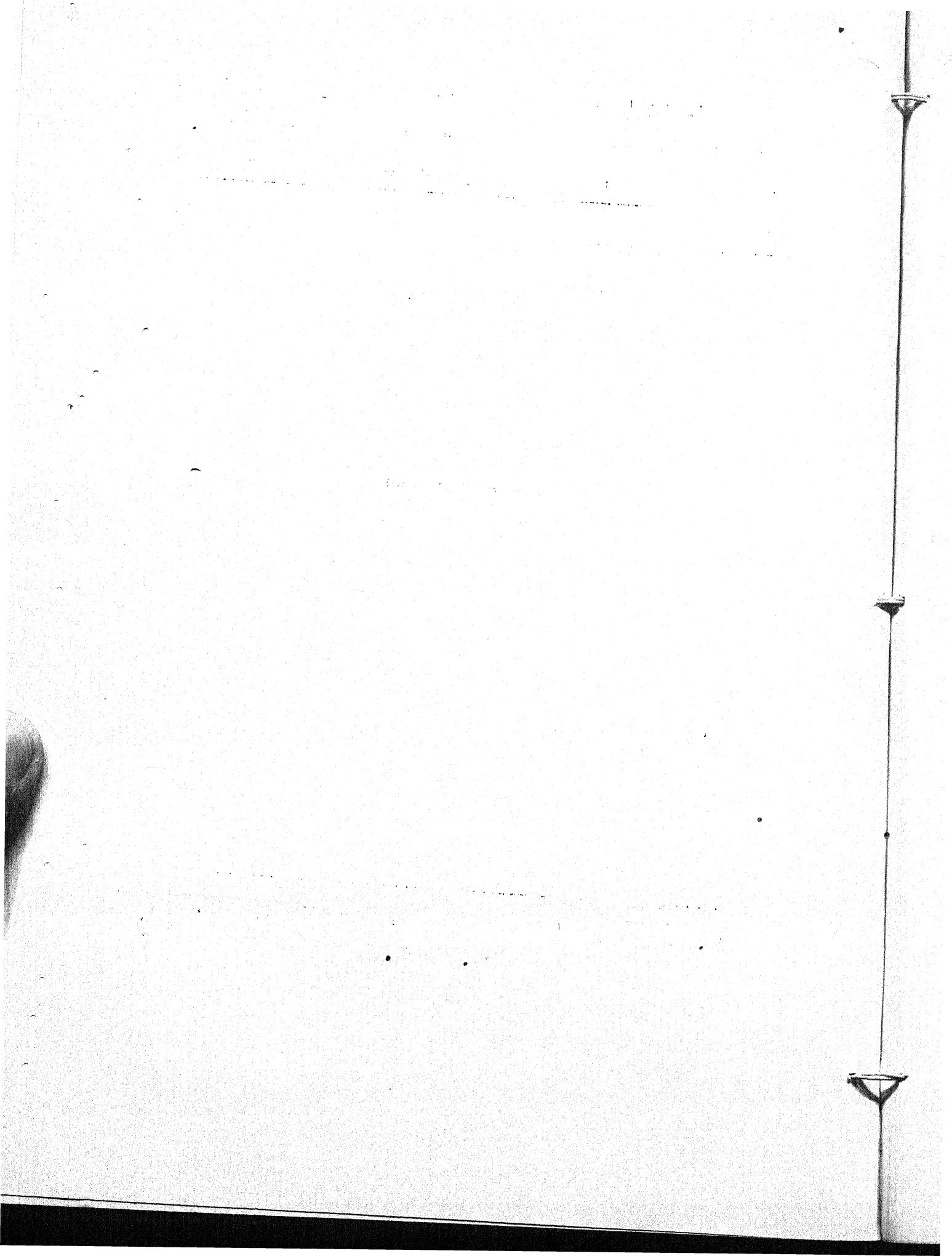
"People's contribution may be in the form of sharing of expenditure on schemes by the Panchayat from its own sources. That is to say, people's individual contribution may be replaced by institutional contribution".¹²

** ** **

C.S.H.

12. Report of the Study Team on Panchayati Raj, 1964,

pp. 142-47.



B I B L I O G R A P H Y

1. The First Five Year Plan.
2. The Second Five Year Plan.
3. The Third Five Year Plan.
4. Evaluation Reports on Working of Community Development and N.E.S. Blocks, 1955, 1956, 1958 & 1960.
5. Report of the Team for the Study of Community Projects and National Extension Service, Vol.I, Planning Commission, Committee on Plan Projects, 1957.
6. Annual Conference on Community Development, 1958-64.
7. Report of the Working Group on Panchayats and Cooperatives, Government of India, Ministry of Community Development, Panchayati Raj and Cooperation, 1962.
8. Report of the Study Team on Panchayati Raj 1964, Government of Rajasthan, Panchayat and Development, 1964.



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PROBLEMS OF AGRICULTURAL ADMINISTRATION AT THE
BLOCK AND THE VILLAGE LEVEL

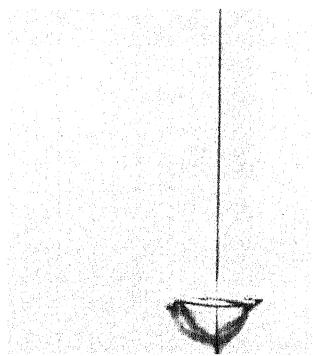
PLANNING

(Background Material)

NEW DELHI.

October, 1964.

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P L A N N I N G

A close association of the people and the local institutions with the process of planning was thought necessary and the First Five Year Plan stressed that,

"Unless a village agency can assume responsibility and initiative for developing the resources of the village,
it will be difficult to make^a marked impression on rural life, for, only a village organisation representing the community as a whole can provide the necessary leadership. As the agencies of the state government can not easily approach each individual villager separately, progress depends largely on the existence of an active organisation in the village which can bring the people into common programme to be carried out with the assistance of the administration".¹

The concept of village plans took shape in the Development Commissioner's conference. The 1954 Conference said:

- "(1) As far as possible, agricultural programmes should be framed in consultation with farmers themselves.
- (2) It should be possible for village committee to fix targets of production for each family".²

- 1. The First Five Year Plan, p.133.
- 2. Summary Records of Third Development Commissioners' Conference on Community Projects, 1954, p.26.

The Second Five Year Plan indicated that 'unless there is comprehensive village planning which takes into account the needs of the entire community, weaker sections like tenant-cultivators, landless workers and artisans may not benefit sufficiently from assistance provided by the Government It was essential that local initiative in formulating plans and local effort and resources in carrying them out should be stimulated to the maximum extent possible. This would help to relate the plans to local needs and conditions and also to secure public participation and voluntary effort and contributions.

Village planning was to be concerned primarily with agricultural production and other associated activities, including communications, cooperation, village industries and other local works programmes. The panchayat³ were to frame programme of production in the village".

The Sixth Development Commissioners' Conference envisaged the possibility of block-plans and said that "where the district-wise breakup of the phased programme of the opening of the N.E.S. and C.D. Blocks has been prepared, it is possible to prepare a Block-wise breakup of the agricultural programmes taking into consideration the funds that will be made available from different development departments. The total funds that will be available for various agricultural improvement schemes in the

3. The Second Five Year Plan, pp. 150-52.

Block from different sources taking into consideration the better administrative organisation available through the N.E.S. pattern and the larger people's participation and greater self-reliance that would be generated through the extension programme".⁴

The 1958 Conference on Community Development was more specific about the agency and procedure of planning when it recommended that,

"Village institutions like Gram Panchayats and cooperative societies should be utilised to plan, organise and evaluate campaigns for increased production in the villages The Panchayats should initially be contracted by the Agricultural Extension Officer, and if possible, by the District Agricultural Officer and they should thereafter pass resolutions concerning the agricultural plan and take the Gram Sabhas into confidence. The agricultural plans prepared by the panchayats should largely deal with items which can be utilised for mass approach, and too much reliance should not be placed on the flow of extraneous supplies but on self-help and self-reliance so that every farming family in the village, regardless of its economic status, can participate in

4. Sixth Development Commissioners' Conference, 1957, pp. 109-10.

the campaign, which would concentrate in a few specific and fundamental items of wide application and capable of creating mass enthusiasm".
5

The 1959 Conference on Community Development pointed out the lessons of planning during 1954-55.

"The principal lessons to be derived from the experience of drawing up district and village plans in 1954-55 appear to be the following:

- (a) An approximate idea of the total resources under each head should be available before local plans are taken in hands. The State should be able to give such indications to districts and the districts to the blocks.
- (b) At the district level account should be taken of the phase of work in each block under the C.D. programme . . .
- (c) The District and block plans should be for five year periods in the first instance, with yearly plans to follow. Village plans may be for one or two years at a time and within the general frame of block plans.
- (d) Both in block and village plans the primary emphasis should be on activities which involve the fuller use of local resources, services

5. Annual Conference on Community Development at Mount Abu, Main Recommendations and Conclusions, May 1958, p.1.

manpower. Programmes for social services will be largely determined by the provisions of district and State Plans.

(c) In the block and village plans, the first priority should be the strengthening of institutions through which programmes are to be implemented, - the Panchayat and the Village Cooperative".⁶

The village production plan got more concrete form in the Conference held at Srinagar in 1960.

It was felt that the village production plan in the initial stages need not be the sum total of individual Family or Farm Production Plans, but should be prepared item-wise for a limited number of subjects to be later followed up by individual plans which could be worked out in greater detail wherever possible with the assistance of cooperatives. The process of planning was outlined.

"Village production plans in this context will consist of the following two categories of programmes:

- (i) Self-Aid Programmes;
- (ii) Programmes requiring outside assistance.

"The responsibility for preparing village production plans will vest in the local panchayats with which should be associated the management of cooperatives, progressive

6. National Conference on Community Development at Madras Main Recommendations and Conclusions, July 1959, pp.36-

~~progressive~~ farmers and Extension Workers The Panchayat will be free to adopt measures necessary for the successful implementation of the programme, planning its execution through selected individuals making them responsible for either specific areas or individual items. The nature and scope of village production plan will increase as the efficiency of panchayats and cooperatives develops in this field of activity. These programmes would have to be prepared every year and execution phased over every season".

The 1961 Conference paid attention to the details of the preparation and implementation of village production plans.

". . . . Where guidance is sought by the Panchayats, State Governments may suggest to them the formation of a Committee called Agricultural Production Committee. The Committee may consist of the following:

1. The President of the Panchayat or the resident representative of the village panchayat and three other panches from the village.
2. Chairman/Secretary or two other representatives of the Cooperatives.
3. A few progressive farmers such as Gram Sehayaks.

7. Annual Conference on Community Development at Srinagar, Main Recommendations and Conclusions, June 1960, p.1.

4. A school teacher interested in agriculture.
5. Patwari/Karnam.
6. Secretary of the Panchayat.

"On the basis of the village agricultural data and the information regarding supplies, etc., assured from above, the panchayat, (the village agricultural production committee) will work out a draft village production plan.

The plan will be in the following two parts:

1. Identification of items of production programmes to be undertaken in the course of agriculture, season.
2. Selection of cultivators who are desirous of improving their production and associating themselves with progressive farmers.

"Village Panchayat (Agricultural Production Committee) may entrust follow-up of different aspects of the village agricultural production work to selected individuals - - members of the committee, Gram Sahayaks and other according to the responsibilities accepted by them. Each selected Gram Sahayak should also demonstrate in his own fields selected improved practices which are likely to have a direct impact on income of production in the village.

Progressive farmers organising such demonstrations should
8
invite other cultivators to their fields".

The Third Five Year Plan accepted that "The principal means for involving all cultivators in the village in the agricultural effort and mobilising effectively the resources of the local community is the village production plan.

"The village production plan includes two main groups of programmes, namely: (a) supply of credit, fertilisers, improved seeds, assistance for plant protection, minor irrigation, etc. for which a measure of assistance has to come from outside the village, and (b) programmes such as the digging of field channels for utilising irrigation from large projects, maintenance of bunds and field channels, contour building, digging and maintenance of village tanks, development and utilisation of local manorial resources, village/plantations, etc. which call for effort on the part of the village community or the beneficiary It cannot, however, be said that village production plans are yet established as a formal method of work in agricultural development or that the various practical problems involved have been resolved.

8. Annual Conference on Community Development and Conference State Ministers of Community Development and Panchayati-Raj at Hyderabad, Main Recommendations, Proceedings and Agenda Notes, July 1961, pp.7-9.

In the field of extension, by far the most important task to be undertaken in pursuance of the Third Plan is to give effect to the idea of working out village production plans so as to draw all the cultivators' into the common effort, and at the same time, to make available to individual farmers in an efficient and organised manner the credit, supplies and other assistance needed"⁹

The issue of local plans was discussed at length in the Report of Indian and State Administrative Services and Problems of District Administration which said that:

"The first duty of the Panchayati Raj institutions is to build up rural plans from the village upwards . . . Village Production plans are in fact the essential foundation for the success of Panchayati Raj. . . . The block plans will comprise the village plans viewed as a whole and coordinated and in addition, programmes for which the block is directly responsible. . . . Development plans at the district level are made up in part of programmes which cover wider areas than the individual blocks or are executed by an agency at a level higher than the block".¹⁰

9. The Third Five Year Plan, pp. 336-37.

10. Report on Indian and State Administrative Services and Problems of District Administration, pp. 36-38.

Pointing out the defects of the practice of village production plans, the Report Study Team of Village Production Plan said:

... village plan, as now prepared, are mere statement of targets rather than well-conceived village production programmes. It is mainly the pre-determined block targets which are accommodated in the village targets. There is practically no attempt at building up block targets from village targets.

"It was found by the Team that the village production plans, in most of the States, existed on paper as a mathematical exercise. Forms in which these plans are required to be prepared are applicable to the entire State irrespective/regional variations.

"While the procedure for preparation of the village production plans leaves much to be desired, the follow-up action is even less satisfactory. A plan once prepared is generally taken to be final".

The Team suggested that "in the absence of sufficient technical competence at the village or block level for planning and implementing the village production plans, the Team suggests that the job should be performed by the Deputy Director of Agriculture assisted by a competent officer of the status of Agricultural Officer. Till competent personnel is available for preparing these

plans and for following them up and guiding them properly this work will have to be taken up on a restricted scale. In every case, where the plan is prepared by the Deputy Director of Agriculture, the Agricultural Extension Officer at the Block level should be associated in order that he develops the needed experience and competence. At the end of the two or three years, he should be able to do the work on his own.

" . . . the items which have to go in the village production plan have first to be taken up as demonstration by carefully chosen cultivators. The practices to be demonstrated will have to be decided in consultation with the farmers, taking into consideration the needs of, the area. The demonstrations may as far as possible, relate to a package of practices rather than one practice ¹¹ only".

The recommendations of the Study Team were considered by the Annual Conference of Community Development and Panchayati Raj, 1964, which felt that:

"It would be difficult and unrealistic to have all families in the village ^{to} participate in the village producti ^{to} plan in one year. The approach should be persuade a few progressive farmers who agree to guide and assist a group

of farmers each in the adoption of improved practices to participate in the plan, in the first year. If improved practices have been successfully demonstrated, the number of such group leaders and their group would automatically expand year by year and ultimately cover all the cultivating families. The plan should thus be drawn up in terms of these progressive farmers and the groups that each one of them has agreed to assist.

"The targets agreed to by the farmer-leaders in respect of their groups, should be based on improved practices already accepted. Targets should not be formulated for practices which are still under demonstration or have yet to be demonstrated".¹²

12. Annual Conference of Community Development and Panchayati Raj at New Delhi, July 1964, p.7.

B I B L I O G R A P H Y

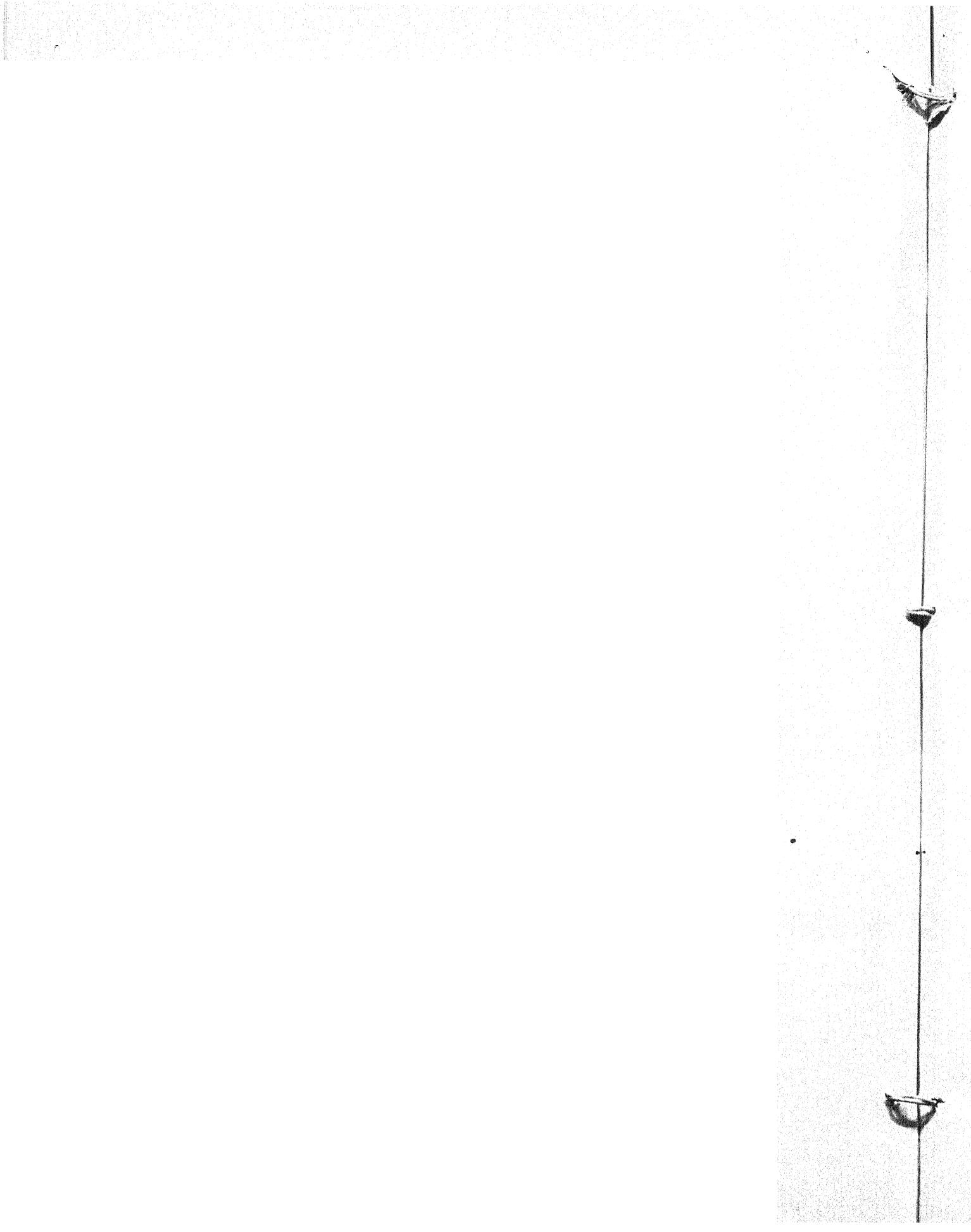
1. The First Five Year Plan.
2. The Second Five Year Plan.
3. The Third Five Year Plan.
4. Summary Records of Development Commissioners' Conference\$ - 1954 to 1957.
5. Annual Conference of Community Development-
1958 to 1964
6. Report on Indian and State Administrative Services
and Problems of District Administration, by V.T.
Krishnamachari, Government of India, Planning
Commission, August 1962.
7. Report of Study Team on Village Production Plan,
Government of India, Ministry of Food and Agriculture,
October, 1963.

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PROBLEMS OF AGRICULTURAL ADMINISTRATION AT THE
BLOCK AND THE VILLAGE LEVEL

RESEARCH AND EXTENSION

(Background Material)

NEW DELHI
October, 1964.



RESEARCH AND EXTENSION

The idea of extension, i.e., integrated development of rural life; was brought out by the Grow More Food Enquiry Committee which said that "economic aspects of village life cannot be detached from the broader social aspects; and agricultural improvement is inextricably linked up with a whole set of social problems.

"All aspects of rural life are inter-related and no lasting results can be achieved if individual aspects of it are dealt with in isolation. This does not mean that particular problems should not be given prominence but the plans for them should form parts of, and be integrated with, those for achieving the wider aims. It is only by placing this idea of bringing about an appreciable improvement in the standards of rural life and making it fuller and richer - before the country and ensuring that the energies of the entire administrative machinery of the States and the best unofficial leadership are directed to plan for its realisation that we can awaken mass enthusiasm and enlist the active interest and support of the millions of families living in the countryside in the immense task of bettering their own conditions.

"... for many years, there have been fairly well-organised, development departments - Agriculture, Animal Husbandry, Co-operation - in the larger States. These, however, work independently of one another, following their own programmes and without a sense of common objectives. Each department approaches the villager through its own hierarchy and the weakest point in each is the last official who has to be in touch with the villager. This official is, in most cases,

inadequately trained and incapable of providing guidance. Nor are the activities of these departments linked up with those of revenue officers, which touch village life at many points, or of the local bodies which, under the law, are responsible for communications, water supplies and other service in rural areas. The result of all this is that there are no concerted efforts to improve all sides of village life, to change the outlook of the farmer and to mobilise local initiative and resources for the betterment of conditions.

"What we have said points inevitably to the need of an organisation for intensive rural work which would reach every farmer and assist in the coordinated development of rural life as a whole".¹

The First Five Year Plan quoted this concept of extension for the Community Development programme and said that :

"The organisation of extension services with the object of securing increased production and raising the standard of village life is a new undertaking. Extension is a continuous process designed to make the rural people aware of their problems, and indicating to them ways and means by which they can solve them. It thus involves not only education of the rural people in determining their problems and the methods of solving them, but also inspiring them towards positive action in doing so. It is, therefore, of the highest importance that for this task, personnel of the right type should be obtained who will take to their work with zeal and enthusiasm. The qualities

1. Report of the Grow More Food Enquiry Committee, pp. 50-53.

required are not only the ability to acquire knowledge but also dedication to the task of serving the rural people and the development of a will to find solutions for their problems. People from village surroundings with experience of practical farming are likely to prove of special value as extension workers".²

The Second Evaluation Report on the Community Project laid stress on the research activities and the need for "a comprehensive and well-endowed public organisation" for rural reconstruction.

"Extension is a phrase which has latterly been made current to express a two way process of reformation. In matters affecting the business and welfare of people, there is always some room for improvement and it ought to be somebody's job to be studying the ways of bringing about such improvement. There is the research job for which suitable institution have to be prescribed. Such institutions can at best be few and they have to be located in selected places, where experts carry on their researches and arrive at methods calculated to bring about the change for the better. To enable these centres to work most effectively they have to be kept in touch with conditions in the field at both ends of their activity, the need for improvement, the problem faced in the field has to be brought to the notice of the researcher, and the solution discovered by him has to be conveyed and made acceptable to the person who has to face the problem.

"This is in essence the extension process, though it depends for its success on the competence of the researcher as also on the efficacy of the organisation or service set up to carry out the process. Unless supplies needed to make the utilisation of the researcher's discovery widespread are easily available, the organisation of a distributional agency becomes a necessary adjunct to extension. Further, when extension is undertaken as a part of a national plan for rural reconstruction and development provision of means to persons of limited resources becomes equally necessary. Whether it is agriculture, and one of its allied activities such as animal husbandry, or health, in the Indian context the extension service ceases to be only a communication service. It is a comprehensive and well-endowed public organisation for enabling the mass of the people to find solutions to their problems, and to attain by stages higher and higher steps of welfare".³

The Second Five Year Plan regarded "national extension and community projects as the normal pattern of the welfare state in action" and emphasised the important aspects of the programme.

"In the first place, national extension and community projects are intended to be areas of intensive efforts in which development agencies of the government work together as a team in programmes which are planned and coordinated in advance. The activities comprised within the community development and the national extension programme

3. Evaluation Report on Second Year's working for Community Projects,
Vol. I, pp. 58-59.

should be regarded as an integral part of a programme for improving all aspects of rural life. In the second place, the essence of the approach is that villagers come together for bringing about social change, are assisted in building up a new life for themselves and participate with increasing awareness and responsibility in the planning and implementation of projects which are material to their well being. If the programme provides them with new opportunities, in turn, through their active participation in its execution, they give it a distinctive quality and enlarge its scope and influence. Self-help and cooperation are the principles on which the movement rests. Thirdly, the movement should bring within its scope all rural families, especially those who are "under-privileged", and enable them to take their place in the cooperative movement and other sphere in their own right".⁴

The Fourth Evaluation Report on Community Projects pointed out that :

"A necessary condition for the effectiveness of extension work in India ..., is the expansion and strengthening of institutions dealing with supplies and credit, accompanied by a strengthening and expansion of Government agencies which supply research, technical, and social services. A Gram Sevak, for instance, can be far more effective as an extension worker if he can turn to a well equipped

4. The Second Five Year Plan - p. 235.

and well staffed hospital or agricultural research station at the block or district levels for guidance and supplies, than if he has to depend upon his block and district level technical officers who in turn have to depend on still more distant sources. The Gram Sevak's effectiveness as an extension worker will be greatest when there are well equipped and well staffed institutions - hospitals, agricultural stations, cooperative with warehouses for seed, manures and other needed supplies - at near enough levels so that he can avail of their facilities for assistance to the villagers".⁵

The Balwantrai Mehta Team urged for the need for more and more people's participation in the Extension work.

"The national extension service is nothing more than a staffing pattern. It is an agency for extending to the villagers the scientific and technical knowledge in certain fields like agriculture, animal husbandry and the rural industry. The extension agency also includes an element of service agency, e.g., for taking preventive and prophylactic measures like inoculation and vaccination, but it must never forget its essential role of extension. Its main function is to make the people understand what change or innovation will benefit them, why it will benefit them and how it can be introduced. It is for the community to participate in all the activities which will lead to such change or innovation".⁶

5. The Fourth Evaluation Report on Working of Community Projects and N.E.S. Blocks, Vol. I, p. 25.

6. Report of the Team for the Study of Community Projects, and National Extension Service, Vol. I, pp. 2-3.

The Ford Foundation Team on India's Food Crisis elaborated the idea of extension, its content in the Indian context, research and the need for a closer collaboration between research and field experience.

"Extension education seeks to secure desired changes in human behaviour by initiating, stimulating and guiding people in the process of education and motivating them to take desired actions.

Extension methods can make a major contribution to motivating the cultivator to increase food production.

"... India's extension programmes could be much more effective if there were a clear understanding of the basic knowledge and skills needed for effective extension methods. The body of knowledge that is available from the disciplines of social psychology, sociology, educational psychology and cultural anthropology is being only partially used. The task of understanding appears to exist with those who praise the professional workers. In many cases they can mobilise the concepts but have little real understanding of them and of their interrelation, and are unable to make practical field situation applications. Thus, it is understandable why those actually working with the villagers do not have adequate understanding and skill in using extension methods.

"All research activities, research findings and technical knowledge must be related to cultivators, who in the final analysis must apply the results of research to their own farming operations.

The bridge between the researchers and the cultivators is the agricultural extension workers".⁷

The Annual Conference on Community Development 1960 laid stress on the production of publicity material in regional languages and agreed that "the State Governments will take steps to produce such literature (which may include journals) on their own initiative and based on materials collected by them".⁸

The 1961 Conference took up the discussion on effective and purposeful result demonstrations.

"While the performance in regard to the number of demonstrations carried out by the V.L.W. is fairly satisfactory, there is a great scope for making them more effective and purposeful.

"It was noted that the syllabus of V.L.W. training had been reviewed to improve the training of V.L.W.s so as to enable them to carry out purposeful demonstrations".⁹

Question of giving incentive, prizes or otherwise, came up for consideration before the 1963 Conference which recommended that:

(a) Prizes: "The Ministry of Food & Agriculture's Community Awards scheme may be extended to include Blocks also as competing units, i.e. all Blocks within a District showing an increase of 15% in the production of food crops in a crop season (Kharif and Rabi) over the

7. Report on India's Food Crisis & Steps to Meet It. pp.130-31 and 104-105.

8. Annual Conference on Community Development, Main Recommendations and Conclusions, June 1960, p. 22.

9. Annual Conference on Community Development, July 1961, p.7.

past three years' average production should qualify for the District Prize. A scheme for the assessment of production at Block level is being undertaken on a pilot basis in one District in each State.... . To begin, with, therefore, the Community Awards scheme may be extended to the Block level in those twelve districts. Later it may be expanded correspondingly with the extension in the coverage of the scheme for assessment of Block level estimates".

(b) Grading of Performance : "District/Blocks should be categorised yearly into 'Average', 'above average', and 'Below Average', based on their performance in terms of the targets specified for various agricultural programmes and this categorisation circularised among all Districts/Blocks. An added advantage of this grading would be that Blocks with comparatively proper performance will get clearly identified and the State Government/Zila Parishad would be able to give special attention to them.

(c) Grants for amenities : "The allocation of grants for amenities (other than committed expenditure) to the Zila Parishads may be made contingent on the fulfilment of targets of production".¹⁰

Mr. A.D. Pandit in his opening remarks at the Regional Conference of Intensive Agricultural District Programme, held on October 4, 1963 laid emphasis on the importance of "sound administration" as the most necessary aid to extension work.

10. Annual Conference on Community Development & Panchayati Raj,
Agenda & Notes, July 1963, pp. 119-22.

"You may have all the applied research, you may have a good extension service but if you do not have a sound administration then the programme will not yield desired results; because on a sound administration depends whether the farmer will get all the wherewithals which are necessary for him to be able to combine these essential factors for good agriculture. If you do not have a sound cooperative structure; if you do not have proper relationships between the agricultural administration, extension services and the community development organisation, everything will go wrong. So a sound administrative structure must knit together all these other factors i.e., research and extension services and arrangements for credit, supplies and other services ...".¹¹

The 1964 Conference on Community Development said that :

"Organising of competitions for villages in a Block and Blocks in a District/State, based on actual increase in agricultural production - the main difficulty in organising these competitions has been the non-availability of estimates of production for the Block level and below. ... Pending the availability of estimates of production at these levels, the Community Award Scheme of the Ministry of Food & Agriculture cannot be extended below the district level

11. Intensive Agriculture District Programme, Regional Conference, Summary of Recommendation, October 1963.

"Grants for amenities (other than committed expenditure) to be made contingent on the performance in the field of agricultural production - This was recommended by the Annual Conference last year, but has yet to be implemented. The conference may review the difficulties and suggest how best this recommendation can be implemented, the basis on which grants could be released, i.e., percentage of grant vis-a-vis percentage achievement of targets of agricultural programmes.

"Consideration of schemes on the lines of Panchayat Industries Prize Competition Scheme in Orissa State - Under this scheme, the State Government gives seventeen first prizes and seventeen second prizes, of Rs. 50,000/- and Rs. 25,000/- each respectively, at the rate of one first and second prize to the best Panchayat in each district/group of 200 panchayats, in the form of small scale industries. Likewise, three prizes of Rupees 1 crore each are given to the three best Panchayat Samitis in the State, one per Division, in the shape of medium industries. A dividend of Rs. 5 lakhs per year is given to the Samiti from the profits of the industry. Though the indicators of assessment in the Orissa scheme pertain to matters other than agriculture yet if similar schemes are considered in other States, the indicators can be weighted in favour of agricultural programmes".

Individual Incentives: "(a) A Prize Competition Scheme for Gram Sahayaks was introduced ... providing for prizes to outstanding Gram Sahayaks in the shape of certificates of merit for the best Gram Sahayaks at the Block level, and medals and a study tour of the country to the best Gram Sahayaks at the District level.

"(b) Award of Sanads and Certificates of Merit may be given to farmers who have done outstanding work in any particular field or have made innovations which have led to increased production

Group Incentives: "Organisation of competitions among groups of farmers, each led by progressive farmers, may be considered. The scope of the competition could be one main crop of the area in each agricultural season and the basis of competition a pre-determined level of increase in average yield per acre, say three times, for the whole group over the average yield of that crop in the district. The primary area of competition could be the V.L.W. circle. The best teams in the V.L.W.s. circles would then compete at the Block level. Prizes may be given to them in the shape of improved agricultural implements of common use, which the group could utilise jointly (prize money to be found from the Block budget). This competition will be particularly useful in the context of the revised approach on Village Agricultural Production Planning which envisages building up of village plans round progressive farmers, as leaders of groups of farmers".¹²

12. Annual Conference of Community Development and Panchayati Raj, Agenda & Notes, July 1964, pp. 96-99.

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3. Evaluation Reports on Community Projects and N.E.S., 1955 and 1957.
4. The Second Five Year Plan.
5. Report of the Team for the Study of Community Projects and National Extension Services, Vol.I, Planning Commission, Committee on Plan Projects, 1957.
6. Report on India's Food Crisis & Steps to Meet It, by Agricultural Production Team sponsored by the Ford Foundation, Government of India, Ministry of Food & Agriculture and Ministry of Community Development & Cooperation, 1959.
7. Annual Conferences on Community Development, 1960, 1961, 1963 and 1964.
8. Intensive Agriculture District Programme, Regional Conference, Summary of Recommendations, October 1963, Directorate of Extension, Ministry of Food & Agriculture.

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INDIAN INSTITUTE OF PUBLIC ADMINISTRATION

(Conference on Administrative Reforms)

Report of Group III (Agricultural Administration)

October 22, 1964.

M e m b e r s

1. Shri R.A. Gopalaswamy (Chairman)
2. Shri H.M. Patel
3. Shri G.S. Dhillon
4. Shri G.S. Mahajan i
5. Shri N. Srinivasan
6. Shri A.P. Barnabas
7. Shri S.K. Goyal
8. Shri R.D. Singh (Rapporteur).

INDIAN INSTITUTE OF PUBLIC ADMINISTRATION
NEW DELHI

CONFERENCE ON ADMINISTRATIVE REFORMS

Report of the Group II on Problems of Agricultural Administration at the Block and the Village Level.

The Group met on October 22, 1964 from 3 P.M. to 5 P.M. under the Chairmanship of Shri R.A. Gopalaswamy,

Present

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|-----------------------|------------|
| Shri R.A. Gopalaswamy | Chairman |
| Shri H.M. Patel | |
| Shri G.S. Dhillon | |
| Shri G.D. Patel | |
| Shri N. Srinivasan | |
| Shri A.P. Barnabas | |
| Shri G.S. Mahajani | |
| Shri S.K. Goyal | |
| Shri R.D. Singh. | Rapporteur |

The Group reviewed the main recommendations on problems circulated to the Conference members and agreed upon the following recommendations to be placed for the consideration of the Conference:-

1. There is need for perspective planning at the Block Level. The village may be too small a unit for purpose of such planning. Data regarding villages or even intermediate units like mandis would be taken into account, in preparing the perspective plan of the block. It is necessary that perspective plan should be prepared for

all the blocks in the country on a planned basis.

The duration of the Plan should be 15 years. A model framework of such a plan should be prepared Centrally, tested in select areas and issued as a guidance to all blocks about the contents of the Perspective Plan and how it should be prepared. Such a Perspective Plan will serve an educational purpose and prepare the leaders of the local people to participate in development work.

2. Planned development at the Block level must be based on a standard staff pattern and schematic budgets. This should, however, be sufficiently flexible and provide for varieties in the development potential of Blocks. The State Government should bear in mind the great variety of conditions even among different blocks in the same district and make provision for necessary variations in staffing as well as the budgeting in order to meet the varying conditions.

3. While accepting that district is a viable unit for planning and programme implementation, the functions of agricultural administration should be carefully reviewed with a view to determining which of them are capable of being performed satisfactorily only at district level and which of them can be devolved on local developmental authorities at the block and village level.

As regards functions to be performed at district level, they are the responsibilities of departmental agencies of the State Government in same State; while in others they are the responsibility of the Zila Parishad. Experience must show which is the more suitable form of organization for these functions.

4. It is both necessary and possible to identify precisely the items of work which constitute a village production programme and distinguish them from other functions to be performed only at Block Level. Those items of work should be listed and suitable organisation should be devised for ensuring that these functions should be limited in scope, to the would be performed/village level with effective participation of the village people. Village production plan is located at village level.

5. Panchayati Samitis and Panchayats are the only popular organisations which are appropriate for enlisting the cooperation and participation of village people in agricultural production programmes organised at Block and village level. For various reasons which are well known they are not, in a great many cases functioning satisfactorily. Efforts must, therefore, be made to create the necessary conditions in which they can be enabled to function as responsible organs of local development administration.

6. There is no doubt that a significant part of responsibility for agricultural development must be carried by properly organised cooperatives. No attempt should, however, be made to discourage any private credit or other institution which may come along and establish itself to render these services.

Agricultural Department is an agent of Government. It is legitimate that the functionaries of the Agriculture Department should have supervisory duties over the cooperatives with regard to the distribution of agricultural inputs.

7. Organisational arrangements may be developed for establishing contact between workers at research centres and extension workers. There is need for developing such contacts so that research work might be more effectively problem oriented than at present.

8. The existing large number of indifferently planned field demonstrations should be replaced by composite farm demonstrations, as is being done in some States. The District Agricultural Officers should take more active interest in the inspection of demonstration centres.

9. Experiments for achieving higher yields at research farms when successful should be demonstrated on the farmer's field. The farmers will normally accept any technique if it gives him satisfactory profit. The demonstration

should be organised so as to show its profitability as well as its technical feasibility.

10. There are number/^a of agricultural development schemes which entail the grant of subsidies in addition to loans. While the need for such subsidies must be accepted and necessary provision made, it is/necessary that proper administrative precautions should be devised also guard against the abuse of such subsidies or loans.

11. Some of the most refined and up-to-date ideas fail to catch the imagination of the masses because these are not effectively translated into the local language in terms of the local experience. The emphasis has to be shifted from publicity and propaganda of general nature to one having local content and appeal.

12. The Extension Officers should have sufficient incentive in the scale of pay as well as future prospects of promotion. For this purpose these people should be borne on a properly organised cadre/agricultural service. If the agricultural department is organised so as to provide a more adequate number of posts in higher levels, in relation to the posts of extension officers it should be possible to provide satisfactory promotion prospects for these officers and above

also improve the efficiency of the department. If these arrangements are made they may prove to be more satisfactory than the diversion of agricultural extension officers by way of promotion, to the general administration duties of B.D.O.s. Moreover